

HIGH



FIJIAN
HOLDINGS
LIMITED

SUCCESS

FIJIAN HOLDINGS LIMITED

2014 ANNUAL REPORT

30 YEARS
ANNIVERSARY
1984 - 2014



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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 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.

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, to create 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 vakatototaki 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 Vakavutukanataki

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 2014 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 2013

FHL announces the retirement of Mere Samisoni as a Board Director for FHL. She was appointed to the Board in 2011. Mrs. Samisoni retired from her FHL Directorship as per clause 98 of the FHL Memorandum and Articles of Association.

August 2013

- FHL announces the change in company secretary with the appointment of Elenoa Lalabalavu to assume the role, replacing Tevita Gonelevu.
- Appointment of Sakiusa Raivoce as a Director, representing Class A Shareholders and to fill the casual vacancy caused by Mere Samisoni's retirement. Mr. Raivoce, who is a security consultant by profession will only hold office until the next annual general meeting of the company and then be eligible for re-appointment.

September 2013

- FHL announces its audited financial statements for the financial year ending 30 June 2013 whereby the Group consolidated income reached FJD\$233 million reflecting a growth of 27% and pre-tax profit amounted \$18.16 million.
- Vinod Patel becomes FHL's strategic partner in Basic Industries Limited (BIL) after Holcim NZ Ltd sold their 49% shareholding to Vinod Patel group. Following this change, BIL will be owned by FHL (51%) and Vinod Patel Group (49%).
- The announcement of the date and agenda for the 28th annual general meeting for Fijian Holdings Limited.
- FHL releases its Annual Report for the 2013 financial year.

October 2013

- The announcement of the FHL shareholders 2nd interim dividend for the year ended 30th June 2013, with the total dividend declared of FJD \$3.046 million. Total annual dividend rate paid to FHL shareholders for FY13 was \$0.10 per A-Class share and \$0.10 per B-Class share respectively, with dividend paid out on 31st October 2013.
- FHL announces the Chairman's Address and resolutions passed during annual general meeting.

November 2013

- Fijian Holdings Limited's Group Award Night was held at the Vodafone Arena with more than 1,000 guests who are all from FHL subsidiary companies and their spouses.

December 2013

- SPSE Trading remained active partly because of the execution of the second bi-annual dividend re-investment trades for FHL.

January 2014

- FHL announces the 28% growth in consolidated revenue for the first six months ending 31st December 2013, with a total Group assets reaching an all-time high of \$495 million. FHL confirmed its unaudited consolidated Group revenue for six months ending December 2013 amounted to \$152 million.
- Fiji Television Ltd partnered with Westpac Banking Corporation in donating books to assist schools.
- Fiji Television Ltd announced the formal departure of its Chief Strategy Officer, Mr. Tarun Patel.
- BIL PNG acquires 13 acres of land.

February 2014

- Merchant Finance Ltd, a subsidiary of Fijian Holdings Ltd was officially opened for business at Damodar City Centre at Raiwai.
- Fiji TV Ltd announced launch of the Pacific Channel (channel 44) on Sky Pacific network.
- A staff visit to Dilkusha Home in Nausori was organized and items were donated like reading books, clothes, toys, brush cutter and a water blaster.
- FHL organized a Group Blood drive which the staff attended and donated blood.

March 2014

FHL declares shareholders first interim dividend and pays \$3.046 million based on group performance for the six months ending 31 December 2013. There were more than 1,200 shareholders of FHL who received their dividend on 30th April 2014. The dividend payment of 10 cents per share was the same for A Class shareholders as well as B Class shareholders.

April 2014

- FHL announced the resignation of Filimone Waqabaca as a Director of the FHL Board.
- FHL organized a fitness program for staff to keep well and healthy.

May 2014

- FHL Subsidiary company RB Patel Group Ltd announced the closure of its Waimanu Road Supermarket store due to the opening of MarketPoint store at Rodwell Road.
- Fiji Television Ltd, a subsidiary company of FHL announced the launching of the new product called One Shopping Network and launched the premium channel.
- Fiji Industries Limited, a subsidiary of Fijian Holdings Limited Group, is being renamed to Pacific Cement Limited.

June 2014

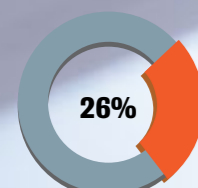
- Fiji Television Ltd announced the free to air platform televising of the FIFA World Cup 2014 in accordance with the Television (cross-carriage of designated events) Decree 2014.
- FHL Group Sports day was held in Nadi which was the first time for the group to host such an event in the Western side.
- Fiji Television Ltd announced the extension of a broadcast license for a further 6 months period effective from 30th June.
- FHL receives Certificate of Appreciation for the business blood drive organizers that supports the blood donor program.
- Blue Lagoon Cruises has re-launched its flagship vessel Fiji Princess back into the waters of Fiji following a \$1.2m refurbishment.
- Media Niugini Ltd (MNL) - EMTV, hype begins for the 2015 Pacific Games, EMTV continues to play its part in promoting the competitive sports and its athletes through awareness and profile features on our sporting production shows – EMTV Sports Scene and Hot Spot.

FINANCIAL HIGHLIGHTS

USUTU NI RAWA KA

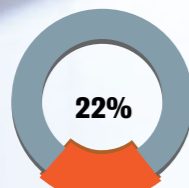
FHL Investment Portfolio by Sector

Veitabana ni Vakatabuilavo nei FHL



Tourism

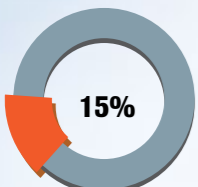
Tabana ni Sara Vanua



Finance

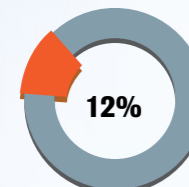
Tabana Ni Soli Lavo Dinau

Tourism	55,500,000
Finance	46,729,440
Retailing	30,935,709
Media	25,596,667
Building & Construction	16,358,622
Manufacturing	17,823,340
Properties	17,984,139

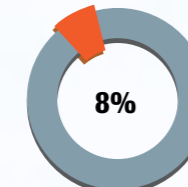


Retailing

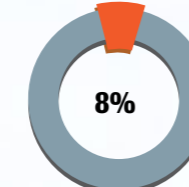
Tabana Ni Veivoli



Media

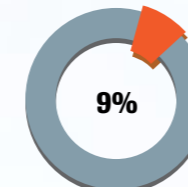
Tabana Ni Vakau i
TukutukuBuilding
& Construction

Tabana Ni Tara Vale

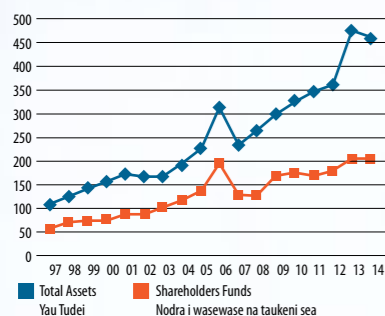


Manufacturing

Tabana Ni Buli Yaya

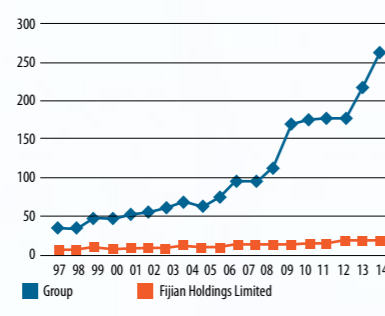


Properties

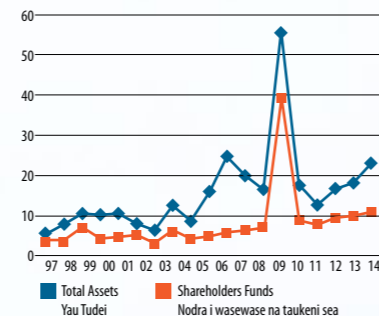
Tabana Ni Voli
Vale Ni CakacakaTotal Group Assets
and Shareholders Funds (\$M)Yau Tudei kei na Nodra
i Wasewase na Taukeni Sea (\$Millioni)

Operating Revenue

Lavo e rawa ena volivolitaki (\$M)

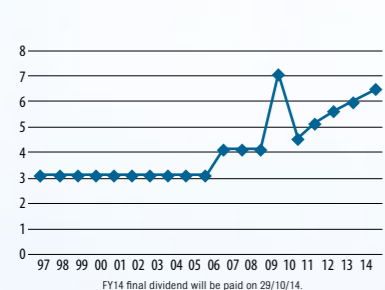


Profit Before Tax (\$M)

Tubu ni kabani ni musuki oti nai
vakacavacava kei na veika sega ni namaki

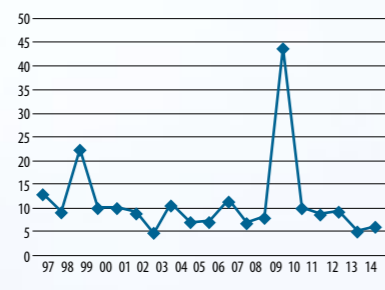
Dividend Payments

Tubu ni lavo e wasei (\$M)

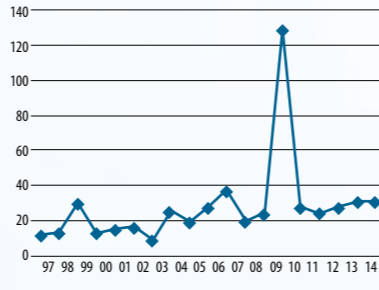


FHL Return on Investment

Tubu ni lavo e rawa (% - at cost)



FHL Earnings per Share (cents)



PERFORMANCE HIGHLIGHTS

USUTU NI CICIVAKI
BISINISI

YEAR END 30 JUNE	HOLDING COMPANY			GROUP		
	2014	2013	Change %	2014	2013 -Restated	Change %
Operating Results Na Rawa Ka ena Cicivaki Bisinisi						
Operating Revenue (\$, '000)	17,646	17,987	-2%	262,717	217,170	21%
EBITDA (\$, '000)	12,734	10,600	20%	38,434	29,039	32%
EBIT (\$, '000)	12,542	10,442	20%	27,033	20,752	30%
NPBT (\$, '000)	10,893	9,888	10%	22,710	18,166	25%
NPAT (\$, '000)	9,739	9,396	4%	14,398	12,741	13%
Operating Ratios Dusidusi ni Cicivaki Bisinisi						
EBIT / Total Revenue [%]	71%	58%	13%	10%	10%	0.7%
EBITDA / Total Revenue [%]	72%	59%	13%	15%	13%	1.3%
NPAT / Total Revenue [%]	55%	52%	3%	5%	6%	-0.4%
Financial Position Tutu Vakailavo						
Total Assets (\$, '000)	240,757	250,700	-4%	458,864	475,786	-4%
Total Liabilities (\$, '000)	71,122	83,765	-15%	258,734	273,387	-5%
Financial Position Ratios Dusidusi ni Tutu Vakailavo						
Gearing [%]	30%	33%	-12%	56%	57%	-2%
Net Debt to Equity [%]	42%	50%	-16%	129%	135%	-4%
EBIT interest cover [times]	4.5	10.0	-55%	2.1	2.6	-17%
Cash Flows Lavo Qaqa						
Net cash from operating (\$, '000)	16,927	9,164	85%	37,111	29,162	27%
Purchases of Investments (\$, '000)	7,002	64,148	-89%	7,002	53,320	-87%
Shares Sea ni Kabani						
Earnings per share (EPS) [CENTS]	32	31	4%	27	32	-16%
Dividends per share [CENTS]	20	18	9%	20	20	0%
Key Measures Dusidusi Namaki						
Return on Net Assets [%]	5.7%	5.6%	0%	7.2%	6.3%	1%

FIJIAN HOLDINGS LIMITED TOP 30 SHAREHOLDERS

NAI MATAI NI 30 NI TAUKEI NI SEA LEVU TAUDUA

Top 30 Shareholders Report 30 June 2014

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

Security: FHL FIJIAN HOLDINGS LIMITED		
Share Class: "A" Class Ordinary Shares		
Shareholder Name	No. Of Shares Total	% Holdings
ITAUKEI LAND TRUST BOARD	859,666	8.21
I TAUKEI AFFAIRS BOARD	760,977	7.27
CAKAUDROVE PROVINCIAL HOLDINGS COMPANY LIMITED	400,000	3.82
CICIA PLANTATION CO-OPERATIVE SOCIETY LTD	400,000	3.82
RATU SIR K MARA EDUCATION TRUST FUND	300,000	2.87
TAILEVU DAIRY FARMERS CO-OP	300,000	2.87
MACUATA PROVINCIAL COUNCIL	203,614	1.95
MAVANA INVESTMENT LTD	200,000	1.91
MUALEVU TIKINA HOLDINGS LTD	200,000	1.91
VANUA KO LOVONI INVESTMENT LTD	179,805	1.72
DUAVATA HOLDINGS LTD	141,000	1.35
BUA PROVINCIAL COUNCIL	137,102	1.31
MUALEVU KORO INVESTMENT LTD	108,754	1.04
MOALA TIKINA COUNCIL	101,005	0.97
LOMATI VILLAGE INVESTMENT LTD	100,000	0.96
KIRI VEREWALE RICHMOND	100,000	0.96
MUNIA HOLDINGS LTD	100,000	0.96
NABUKEBUKE HOLDINGS LTD	100,000	0.96
NASOQAO FARMING ENTERPRISES LTD	100,000	0.96
NAQARANI HOLDINGS LTD	100,000	0.96
DOGOTUKI TIKINA COUNCIL	100,000	0.96
SAKIUSA & ANASEINI RAIVOCE	100,000	0.96
VATULELE ISLAND HOLDINGS LTD	97,990	0.94
SERUA PROVINCIAL COUNCIL	97,102	0.93
REWA PROVINCIAL COUNCIL	93,601	0.89
VUKICEA INVESTMENTS LTD	90,000	0.86
MATAQALI NATABUTALE	84,743	0.81
KADAVU PROVINCIAL COUNCIL	80,353	0.77
TOTALS:	5,635,712	53.85

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 six Directors.

Iowane Naiveli	Appointed, Chairman 2011
Padam Lala	Appointed 2008
Sakiusa Raivoce	Appointed 2013
Isikeli Tuituku	Appointed 2014
Ulai Taoi	Appointed 2014
Viliame Cegumalua	Appointed 2014

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.

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
- 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 disclosed 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.

Fiji TV had also reviewed the pricing for its pay television services which resulted in an increase number of subscribers for the last eight months of the financial year.



CORPORATE SOCIAL RESPONSIBILITY REPORT

TUKUTUKU NI QARAVI NI BULA RARABA

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

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

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

Communication with Shareholders

We believe that an essential measure of our success will be the shareholder value we create over the long term and also our customers, government, communities and employees. We provide them the information they need in a fair, transparent and appropriate way to ensure that our shareholders continuously make sound investment decisions.

Shareholders Workshop

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

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

Information Disclosure

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

Community Involvement

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

Rewarding academic excellence

FHL believes that good education is the key for success in whatever accomplishments we may embark on today. FHL has been proudly sponsoring the dux prizes for the 10th consecutive year for the three largest government schools in Fiji, namely; Adi Cakobau School, Ratu Kadavulevu School and Queen Victoria School. This year is the first year FHL has rewarded the top 10 Fiji Seventh Form Examination student from Saint Joseph's Secondary School, Suva Grammar School, Penang Sangam High School, Tilak High School, Natabua High School, Tavua College, Jai Narayan College, Adi Cakobau School, Rishikul Sanatan College and Queen Victoria School. Next year we are looking at expanding the academic excellence reward to top 20 form seven examination students.

National Blood Drive

Fijian Holdings Limited and Group of companies staff members responded to the blood drive hosted by FHL at level 7 Ra Marama building earlier this year as the blood bank had reached a critical level of blood shortage. FHL is always keen to host the blood drive donation every year as it is seen as an important way to support a lifesaving course and to ensure that our employees, family and friends have access to it when and where it is needed most. On June 11th, 2014, FHL received a certificate of appreciation for the business house category from the Fiji National Blood Services at the World Health Organization office in Suva.

Dilkusha Orphanages Home

FHL staff also organised a visit to Dilkusha Home earlier this year. Dilkusha Home is located in Nausori and is operated by the Methodist Church of Fiji. The Home houses young girls and boys. At the time of the visit there were 28 girls and 2 boys living at the home. The company and the staff members contributed a lot for the young children and the home. The children greeted us with their smiling faces and their beautiful songs. Most of the staff were emotional when watching the children sing. Staff members socialized with the children and the care giver.

Environmental Sustainability

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

- Pacific Cement Ltd formerly called FIL has been reassessed by TELARC SAI Ltd in July 2013 in accordance with the Environment Management System: ISO 14001 standards and has retained its certificate for another two years.
- Pacific Cement Ltd. has strongly addressed the minimising of dust levels with 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.
 - Pacific Cement Ltd has done general housekeeping, sold all iron steel and non-use items (rubbish) to Waste Recycles Ltd.
 - Pacific Cement has changed paper bags to eliminate dust and cleaned up at the stores and yard for Bio Security export containers.

Employee Involvement

Fijian Holdings Group is an employer to more than 1,580 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 of 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 our Group staff are graduates from the University of the South Pacific, whilst 14 hold post-graduate qualifications.

Currently, a number of our Executive Managers are in the process of completing their Master's Degree. During the year, workshops and internal trainings were continuously organised for staff.

Employee Survey

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

Health and Wellness

The health and well-being of our employees is essential to achieving the desired productivity that FHL requires. As such, all staff were encouraged to take advantage of a free full medical check-up to ensure they continue to remain physically compatible with their daily tasks. During the year FHL organized staff power walks along Nasese after work and Toso fitness at the basement.

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 People & Leadership Committee is a committee of the Fijian Holdings Ltd Board ('FHL Board'). The role of the Committee is to advise remuneration and issues relevant to remuneration policies and practices so as to assist the Board to independently ensure that the Company/Group establishes appropriate Human Resources strategies and policies consistent with best practices and business requirements and adopts and complies with remuneration policies that:

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

The committee consists of a minimum of two Directors and the Group Chief Executive Officer with the Chairman of the Committee selected by the FHL Sub Committee for Board Nomination & Remuneration. The current members of the committee as appointed by the Board are: Mr Sakiusa Raivoce, Mr Padam Lala and Mr Viliame Gavoka (resigned).

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

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

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

APPOINTMENTS & RESIGNATIONS OF COMMITTEE MEMBERS

Name	Capacity	Status	No. of Meetings held/Entitled	No. of Meetings attended
Viliame Gavoka	Chairman	Resigned	2	2
Padam Lala	Director	Appointed	3	2
Sakiusa Raivoce	Director	Appointed	3	2

INVESTMENT & STRATEGY SUB-COMMITTEE REPORT

TUKUTUKU NI KOMITI KA QARAVA NA VAKATUBUILAVO

The Investment and Strategy Committee is a committee of the Fijian Holdings Ltd Board ('FHL Board'). The Committee is responsible in 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 Sub-Committee monitors the management of the existing portfolio for compliance with the investment policies and guidelines and for meeting performance objectives over time.

The members of the Sub-Committee are appointed by the Board of Directors. The Sub-committee consists of four board members and are mainly sources within the Directors of the Company. In addition to these members, the Group CEO with members of the Senior Management Team attend the Sub-committee meetings to provide insights and management opinions.

The Sub-Committee is required to meet every quarter or have at a minimum of 4 meetings during a calendar year. During this financial year the Sub-committee met 3 times with attendance depicted in the table below:

The Sub-Committee has continued to receive reports and have held discussions with Management on a number of proposed and current investments. The Sub-Committee has also reviewed

proposals parallel to its investment policy guidelines and strategic framework. These include:

- 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.

During this financial year, the major project supported by the Sub-Committee included the investment in Life Cinema Ltd. Currently the Sub-committee has before it a number of projects on which they are requiring further analysis or awaiting further information before a firm decision can be made.

APPOINTMENTS & RESIGNATIONS OF COMMITTEE MEMBERS

Name	Capacity	Status	No of Meetings Held/ Entitled	No of Meetings Attended
Mr. Iowane Naiveli	Chairman	Existing	3	3
Mr. Apakuki Kurusiga	Director	Existing	3	3
Mr. Padam Lala	Director	Existing	3	3
Mr. Filimone Waqabaca	Director	Resigned -28/04/14	3	-

AUDIT & RISK SUB-COMMITTEE REPORT

TUKUTUKU NI KOMITI KA QARAVA NA RIRIKO

The Audit and Risk Committee is a committee of the Fijian Holdings Ltd Board ('FHL Board'). The Committee is 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 its work on the internal audit reports issued by the Internal Audit Department of FHL and management letters (client service report) issued by the External Auditors.

The members of the Audit Committee are appointed by the FHL Board of Directors from amongst the Directors of the Company and consist of three board members of which all are existing committee members and are now Executive Directors. In addition to these members, the Group CEO and members of the 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 2013-14 financial year, the audit committee met four times. During the year, a number of key issues of breaches in control were presented to the committee and management has been advised to seriously look into the issues highlighted. They have been reminded as well that they should look into controls and take ownership rather than it being highlighted to them. While a number of lapses of controls were discussed, no case of fraud has been identified.

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

APPOINTMENT & RESIGNATION OF COMMITTEE MEMBERS

Name	Status	No. of Meetings Held/Entitled	No. of Meetings Attended
Mr. Ulaiyasi Baya	Existing	4	4
Mr. Samuela Nawalowalo	Existing	4	2
Mr. Aseri Radrodro	Existing	4	4

BOARD NOMINATION & REMUNERATION COMMITTEE

TUKUTUKU NI KOMITI KA QARAVA NA VEIDIGITAKI KEI NAI SAU NI DAIREKITA

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

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

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

Board Nomination & Remuneration Sub-Committee meet 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:

- 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 programs 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 requirement;
- 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

APPOINTMENTS OF COMMITTEE MEMBERS

Name	Capacity	Status	No of Meetings Held/Entitled	No of Meetings Attended
Mr. Emitai Boladuadua	Chairman	Appointed	3	3
Mr. Iowane Naiveli	Member	Appointed	3	3
Mr. Apakuki Kurusiga	Member	Appointed	3	3

BOARD OF DIRECTORS LEWE NI MATABOSE



STANDING L-R: Sakiusa Raivoce, Isikeli Tuituku, Viliame Cegumalua, Padam Lala
SITTING L-R: Ulai Taoi, Iowane Naiveli (Chairman), Apakuki Kurusiga (Deputy Chairman - resigned)

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, Basic Industries (PNG) Limited, and FHL Retailing Ltd. He is a member of the Australian Institute of Directors. He is a Financial Advisor to the iTaukei Affairs Board and is a Trustee for the Unit Trust of Fiji. He is a member of the USP council and Chairman of its Audit & Risk Committee. He is a former Chairman and member of the External Audit Committee of the International Monetary Fund (IMF), Washington DC.

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. He is also a Member of FHL People & Leadership Sub Committee and FHL Investment and Strategy Sub Committee.

SAKIUSA RAIVOCE

Director

Is a Security Consultant and a former Senior Military Officer having served in Headquarters, RFMF as a Staff Officer and Military Assistant to the President of the Republic of Fiji. Colonel Raivoce served on UN peacekeeping duties in the Middle East. He also served as Field Security Adviser in East Timor from September 1999 to December 2000. He served as a Director for the British Security Firm Global Risk International as its representative in Fiji from 2003 to 2012. He is currently the Chairman for Pacific Cement Limited and FHL Properties Limited. He is also a member of FHL People & Leadership Sub Committee.

ULAIASI TAOI

Director

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

VILIAME CEGUMALUA

Director

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

ISIKELI TUITUKU

Director

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



FHL GROUP MANAGEMENT TEAM

MANIDIA LIU NI KABANI
COKOVATA E FHL



NOUZAB FAREED

Group CEO

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

Fareed is a Board Director for all FHL Group companies. In addition, he is also a Board Director for Marsh Insurance Ltd, Golden Manufacturing Ltd, Goodman Fielder International Ltd and South Pacific Stock Exchange.

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

He is the founding President of Australia Institute of Company Directors - Fiji Chapter and also the current President of Fiji - PNG Business Council. He is the Vice President of Fiji Institute of Accountants (FIA) as well as the Vice President of Suva Chamber of Commerce. He is a council member for CPA Fiji Branch and Fiji Exporters Council. In addition, he sits on MBA Advisory Committee of University of South Pacific.

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



MOSESE VOLAVOLA
General Manager
Basic Industries Limited



BHANU SUD
Chief Executive Officer
Media Niugini Limited



SONNI DUTT
General Manager
Pacific Cement Limited



ROWENA FONG
General Manager
FHL Properties Limited



SOWANI TUIDROLA
General Manager
FHL Fund
Management Limited



DEEPAK RATHOD
Chief Operating Officer
RB Patel Group Limited



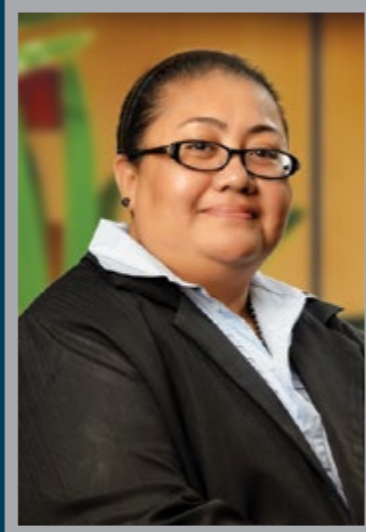
JEREMAIA VOLAVOLA
Manager
FHL Stockbrokers Limited



JOSEFA CANIOGO
General Manager
Basic Industries (PNG)
Limited

MANAGEMENT TEAM
**MANIDIA
VEILIUTAKI E FHL**


SALESH DAYAL
General Manager Finance



CATHERINE GREY
Manager Human Resources



ELENOA LALABALAVU
Manager Investments
& Company Secretary



SALESHNI WARRAN
Manager Internal Audit

Innovation is the key to everything we do at Golden. We are continuously working on innovative ways to raise the standard of our service and improve the consumer appeal of our packaging to ensure the success of customers' brands.





CHAIRMAN'S REPORT

TUKUTUKU NI LIULIU NI MATABOSE

INTRODUCTION

It is with great honour and delight that I address the shareholders of Fijian Holdings Limited, to present our Annual Report for the year ended 30th June 2014.

This year, as we reflect and celebrate, the 30th anniversary of Fijian Holdings Limited, we can proudly look back on what has been a fruitful company history based on a pedestal of how the iTaukei can succeed in business. It is without a doubt that the vision of our Chief's have now created prosperity for many iTaukei. It is only fitting that we give tribute to these great people and create a special place for them in our corporate history.

From its humble inception, FHL started with a sole investment in Basic Industries Limited, and has to date, expanded into one of the country's largest conglomerate, with investments in around 18 companies. Based on the results of FY 2014, the FHL group has contributed approximately \$15million to Government in terms of statutory payments. Concurrently, the FHL Group has flourished exponentially in terms of revenue, net assets and human capital and we envisage that the expectation for the future will only look brighter.

Despite the significant number of changes, the Group continues to adapt to an environment that remains volatile and challenging and responds in a manner that reflects our qualities, experience and core purpose.

KENA I KAU

E ka dokai ka ka ni marau vei au ena noqu i tutu vaka i Liuliu ni Matabose me'u vosa vei kemuni nai Taukei ni Kabani na Fijian Holdings Limited nai tukutuku vakayabaki ka mai cava tiko enai ka 30 ni Jiune 2014.

Ena yabaki oqo eda marautaka na yabaki 30 ni Fijian Holdings Limited, e da rawa ni rai lesu ena noda cibitaka na levu ni rawa ka ni kabani ka yavutaki ena vakanananu ni da rawa ni veiqati talega nai iTaukei ena butu rara ni bisinisi. E na sega ni vakatititaki na nodra rai yawa na noda vei Turaga Bale eda sa tauca tu na vuana o keda nai iTaukei. E dodonu me da dau namuni ira ena nodra rai yawa enai tukutuku ni veigauna ena loma ni Kabani.

Mai nai vakatekivu, na FHL e a tauyavu ga ena nona volia na kabani na Basic Industries Limited, ia nikua sa rabailevu sara na nona rawa ka vaka bisinisi ka sa yacova na 18 na vei Kabani duidui ena ruku ni kabani cokovata ena FHL. Ena yabaki vakailavo ni 2014 na Kabani cokovata e a sauma e \$15.00 na milioni kivua na Matanitu enai vakacavacava. E na gauna talega oqori e a tubu cake sara vakalevu na rawa ka ena volivolitaki, yau bula ni kabani, kei na tubu ni bera ni musu nai vakacavacava. Ena yavu oqo eda rawa ni raica na gauna vinaka sa tu e matada.

Sa levu na veiveisau lelevu sa yaco oti ka sotava mai na Kabani Cokovata ia e rawa ni lako curuma mai baleta na kena veivakatulewataki vakamatau ena gauna drakidrakita vakaoqo. Ia sa qai torocake ga na kaukauwa vaka bisinisi ni Kabani ni sa kila vakavinaka nai walewale ni veiqaravi ena gauna vaka oqo ka sega ni yali na yavu dei ni kabani.

ECONOMIC REVIEW

Global growth projections has been revised downwards to 3.4 percent as opposed to an earlier forecast of 3.6 percent for 2014. Domestically, sectoral performances remained broadly positive. During the year, our economic growth picked up, stimulated by an expansion of government expenditure and by increased domestic investment and consumption. Business and investor confidence continues to strengthen as clear progress is made towards the elections. Partial indicators of investment activity noted positive outcomes and the investment activity is expected to be driven by tourism and infrastructure-related projects.

OPERATING HIGHLIGHTS

As Board Directors, it is our duty to ensure that FHL delivers on its strategic objectives and remains in FHL's mission to be the most innovative investment Group in the Pacific.

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

- The ultimate closure of FHL Logistics Limited, a wholly-owned subsidiary, resulting from its continued loss making trend since its inception in 2010.
- The restructure of our PNG based operation, Basic Industries (PNG) Limited, formerly known as Pasifika Holdings Limited to complement the growing business environment in Papua New Guinea.
- The penetration into the media sector through the acquisition of Fiji Television Limited which also expands our presence in other Pacific Islands, through EMTV in PNG and Media Solomon in the Solomon Islands.
- Venturing into strategic partnership with Vinod Patel Group for the expansion and growth of the Building and Construction industry, through Basic Industries Limited and Pacific Cement Limited.

FINANCIAL HIGHLIGHTS

The FHL Group consolidated net profit before tax amounted to \$23.6 million for the 12 months reflecting a growth of 21% as compared to the previous year. Consolidated Group revenue recorded an 18% growth, reaching \$272 million as compared to \$230 million in the previous year. Our investment in RB Patel Group, Fiji Television Limited, South Sea Cruises Limited and Pacific Cement Limited continue to be our biggest revenue contributor. Merchant Finance with a lower revenue, contributed the highest pre-tax profit for the FHL Group. It is pleasing to report that within the Company's 30 years of operation, the shareholders equity has grown from \$1.2 million to \$169.6 million representing a solid platform to further venture into business growth opportunities.

DIDIGO NI BULA VAKAILAVO

Na vatavatairalago ni bula vakailavo ena noda vuravura e sa mai lutu sobu vakalailai kina 3.40% mai na veika e a nanumi taumada e 3.60% ena 2014. Ia ena noda vanua e toso cake sara na rawa ka vaka i lavo mai na vula o Janueri kina na vula ko Jiune. Na toso cake ni rawa ka oqo e yavutaki ena tuvatuva ni vakayagataki i lavo ni Matanitu kei na volivoli vei keda na lewe ni vanua. E tubu cake na nodra nuidei na dau vakatu bisinisi ena noda vanua ni sa vakadeitaki gauna ni veidigidigi. Sa basika tiko eso nai vakatakilakila vinaka ena veivakatorocaketaki lelevu ena makete ni saravania kei na caka ni gaunisala, kei na veivakatorocaketaki ena rara ni waqavuka mai Nadi.

NA VEIQARAVI

Ena noqu i tutu vaka Liuliu ni Matabose cake ni FHL sa noqui tavi me'u raica na kena vakamuri vakavinaka na tuvatuva ka vakavotukana kina na navunavuci ni Kabani me baleti kemuni na Taukei ni Kabani. Na yavu ni FHL e sega ni veisau sai koya na FHL me kena dau ena bisibisi ni vakatubu i lavo ena Pasifika.

Ena yabaki oqo era digova tale nai vakalesilesi ni nomuni Kabani nai walewale ni veiqaravi vaka bisinisi, e rawa ni vakarautaka na Kabani Cokovata me sotava ena veivakatulewa e matau. Eso na veitikina bibi e sotava na Kabani Cokovata ena loma ni loma ni yabaki oqo:

- Na kena mai sogo na FHL Logistics Limited. Oqo e dua na Kabani ni veitosoyaki ena vanua mamaca ka taukena vakatabakidua na FHL ena yavu ni kena ni sega ni rawa tubu tiko.
- Na kena mai qaravi na veiveisau ena kabani mai Papua Niu Kini ka sa vakatokai na yaca vou na Basic Industries (PNG) Limited. Ka dau kilai tu ena yaca Pasifika Holdings Limited. Na veiveisau oqo e qaravi ni sa veisau na yavu ni kena qaravi bisinisi.
- Na noda sa curuma yani na makete ni vakau tukutuku ena kena voli na Fiji Television Limited ka vakateteya yani na noda veiqaravi ena tabana oqo ena sa tale na viyanu ena wasa Pasifika, me vaka taka na EMTV e Papua Niu Kini kei na Media Solomon ena Yatu Solomoni.
- Na veivakadonui me dua na veidinadinati vakabisini me cakacavata kei na Kabani na Vinod Patel ena makete ni tara vale ena noda vanua ka vakaitavi kina ko Basic Industries Limited kei na Pacific Cement Limited.

NA RAWA KA VAKAILAVO

Na levu ni i lavo e rawata na Kabani Cokovata ni se bera ni lavaki nai vakacavacava ni matanitu e yacova na \$23.6 na milioni ena na yabaki vakailavo ena 2014 ka tosocake kina na ka e rawati ena 21% me vakatautauvatataki ena yabaki sa oti. Na i lavo e rawa ena volivolitaki ni Kabani Cokovata e tubu cake ena 18%ka yacova na \$272 na milioni me vakatautauvatataki kei na \$230 na milioni ena na yabaki sa oti. Na vei Kabani me vaka na RB Patel Group, Fiji Television, South Seas Limited kei na Pacific Cement Limited eratou rawata nai lavo vakalevu ena volivolitaki ena loma ni Kabani Cokovata. Na Merchant Finance Investment Limited e Kabani ka rawata taudua e levu na tubu ni se bera ni musu nai vakacavacava. Na nomuni yau nai taukei ni yau e tubu cake

DIVIDENDS

The Board will continually review the company's overall dividend policy to ensure its sustainability and in line with growth. In the past years, we have been paying 20cents to class A and B shareholders. In total, the Company has paid to its shareholders approximately \$84 million since inception.

SHARE PRICE

Capital return was also accrued by FHL shareholders as the company share price appreciated during the year. Share prices are a reflection of the stock market demand and supply. During the year, the FHL share price fluctuated between \$3.09 and \$3.33.

GOVERNANCE

Given the complexity of today's operating environment, the Board continues to place emphasis on good corporate governance to ensure that the principles we are governed by, remains relevant, effective, and evolving as new issues arise. During the year, your Directors undertook an extensive Directors Course facilitated by the Australian Institute of Company Directors (AICD), which will allow them to build capabilities within themselves and the Company in order to, upskill their compliance and strategy oversight role. As a listed Company, I am pleased to report that during the year, FHL has fully conformed to the SPSE listing rules in terms of timely and adequate disclosure. During the year the Board have commenced to evaluate Board meetings with regards to content, timeliness, effectiveness and achievement of purpose.

HUMAN CAPITAL AND RISKS

As we progress into the future, two important issues come to mind, human capital and risks. With regards to human capital, we want to ensure that right quality, experience and skilled individuals are recruited to the group. The Board is focused on ensuring the development of our people across the Group, in terms of capacity building and competency to complement our framework for strategic innovation. Being an iTaukei company, we want to increase, nurture and maintain more iTaukei employees in the area of finance so they can improve their work ethics and learn from their fellow Fijians. We will need to continue to assess the level of risks of doing business annually and maintain a risk appetite that is acceptable.

FUTURE

As our Company continues to grow, the challenge for the future lies not only in protecting our existing investment but also prudently exploring new investment sources to maximise shareholder wealth; The Board is also looking at new areas of investment specifically with regards to energy and the agricultural sector.

mai na \$1.20 milioni kina \$169.60 na milioni ka vakadeitaka na noda rawa ni qarava eso tale na vakatu bisinisi.

NA TUBU E VOTAI

Me yavutaki ena veika vakailavo e rawata, na Matabose e Cake e sa vakadonuya me vota na tubu me vaka na kena i valavala ka dau vakayacori ena veigauna sa oti ka votai vakatautauvata kece ena \$0.20 dua na yabaki na kalasi A kei na B. Na Matabose e Cake ena dau raica lesu tale na yavu ni votai ni tubu me rawa tikoga ni sotavi tikoga na tubu cake vaka bisinisi. Na FHL e sa sauma oti e \$84 na milioni mai na gauna e tauyavu kina.

SAU NI SEA

Na tubu ni sau ni sea ni FHL, e toso cake kina na levu ni nomuni yavu na i taukei ni Kabani ena loma ni yabaki oqo. Nai sau ni share e i vakatakilakila ena makete ni volitaki sea na kena gadrevi vakalevu se vakalailai mai veiira na dau voli sea. Nai sau ni sea ni FHL e voli tiko kina ena loma ni yabaki e tiko mai \$3.09 ki \$3.33.

NA LAWAKABISINISI

Na qaravi bisinisi ena gauna nikua e sa tiko vata kei na kena bolebole, ia na nomuni Matabose ena qarauna sara me vakamuri vakavinaka na yavu vakalawa ni cicivaki bisinisi me rawa ni sotava kina bolebole vakabisinisi. E na loma ni yabaki era vakatavi na nomuni Matabose enai matai ni vuli me baleta na nodra i tutu kei nai tavi e dodonu me ra qarava ka vakaitavi kina na Australia Institute of Company Directors (AICD). Na vuli e vakamatataka na nodra tavi na lewe ni Matabose ena nodra raica me kua ni vakayacori e dua na ka e basuka kina na lawa tu kei na lawa vakabisinisi ke rawa ni vakaleqa na Kabani. Na Kabani na FHL e volitaki rararba tu na kena sea ena noda vanua, e vakamura vakavinaka na lawa ni vaka cicivaki bisinisi me vaka e virikotori ena makete ni volitaki sea. E dodonu me dau dikevi vakavinaka na vei vakatutu vaka bisinisi me rawa tiko ga kina rawa ka ena veigauna mai muri.

TAMATA CAKACAKA KEI NA RIRIKO

Ni da sa toso tiko yani ki liu, e rua na vanananu bib e koto e na kena cicivaki ni bisinisi e na veisiga mai muri. Qo na kena tuberi tiko na noda tamata cakacaka kei na ririko e dau tiko ni cicivaki bisinisi. Ia sa rai kina na Matabose me dau vakatulewai vaka vinaka na soli ni tavi vei ira na tamata cakacaka kei na nodra tuberi vakavinaka me rawa ni ra cicivaka na Kabani kei na vei bisinisi ni Kabani e na gauna mai muri. Sa ka bibi kina vei keitou na lewe ni Matabose me keitou raica tiko na kena vakacacaka taki kei na kena tuberi tiko o ira na gone iTaukei, vakabibi i na Tabana vakai lavo me rawa ni ra wasea nai vakarau ni cakacaka ka vakatavulica vau na nodra i tokani iTaukei. Sa raica tale tiko ga na Matabose me qaravi kai lewai vakamatau na vei ririko e tiko ena kena cicivaki na vei bisinisi me rawa ni rawata na vei ka e sa namaki tiko kina na FHL.

In terms of our overseas based investment, specifically in the PNG market the FHL Board is confident that the revitalised PNG based subsidiary, BIL (PNG) Ltd, after undergoing a restructure, will turn around with a positive result in the next financial year.

The acquisition of Fiji Television has also come with challenges. One of the important challenges is the issuing of 'broadcast license' for 6 months only. For a commercial and a publicly listed company, it is essential to have a long term license which will assist us to achieve our financial objectives in line with our long term strategic plans and expectations from shareholders. We will continue to have dialogue and firm discussions with government on this important issue after the general election.

ACKNOWLEDGEMENT

I take this opportunity to thank my fellow Directors for their support and valuable contributions during a period of significant growth, transformation and financial success of the Company. On behalf of Fijian Holdings Limited, a sincere appreciation is extended to my fellow Directors who have resigned during the year, namely; Colonel Apakuki Kurusiga, Filimone Waqabaca, Viliame Gavoka, Ulaiyasi Baya, Ratu Samuela Nawalowo and Aseri Radrodoro. I also welcome the new directors Isikeli Tuituku, Viliame Cegumalua and Ulai Taoti.

The dedication and diligence of the executive management and all staff cannot go unmentioned, and on behalf of the Board I thank you sincerely for your tireless commitment and passion to driving this Company in achieving the desired results.

Last, but not the least, I would like to thank, all our shareholders, for your continued support in our journey of delivering consistent, competitive, profitable and responsible growth. Your company's plans for generating greater returns are now turning into a reality and I would like you to remain with us to reap the benefits of hard work and perseverance.

GAUNA MAI MURI

Na sasaga ni Matabose ni kabani cokovata me solia na tubu vinaka kei na rawa ka vivinaka vei ira na taukei ni kabani ena gauna mai muri e veivakatovolei ena kena mararoi na vei tabana ni vakatubuilavo e ra sa tiko kei na kena vaqarai tale e so na vanua me vakatubuilavo kina na kabani. Ia mai na rai ni Matabose, e sa gadrevi me tomani na kena dikevi vakamatau na nodra cakacaka kei na nodra tuberi na tamata cakacaka ena loma ni kabani cokovata me rawa ni usasivi na nodra veiqaravi kei na nodra kila vaka cakacaka me ra rawata na ka sa namaki kina na FHL vei ira.

I na buturara ni vakatubuilavo i vanua tani, sa raica tiko na Matabose na kena sagai me rawa tubu na BIL (PNG) Ltd ni sa oti na yabaki vakailavo qo. Sa namaki kina na Matabose me raica na kena lewa vaka matau na kena tamata cakacaka me rawa kina na i tukutuku vinaka ena yabaki vakailavo mai qo.

E veibolei vakalevu na yabaki vakailavo mai qo, e na kena tovolei me taqomaki na vakatubuilavo i Fiji Television Ltd ni mai sotava e dua na yabaki e dredre kina na cicivaki ni bisinisi. Sa dei tiko kina na Matabose me vaqasaqara e so na vanua e na rawa tubu vinaka kina na FHL me rawa ni vakatubura na kabana cokovata kei na kena soli tiko na tubu vinaka vei ira na taukei ni sea.

VAKAVINAVINAKA

Au vakavinavinakataka na nodra cau kei na vei tokoni na lewe ni Matabose ena kena mai rawa vinaka e dua tale na yabaki vakailavo, dina ni levu na vei vakatovolei kei na veiqati ena na cicivaki ni bisinisi. Ia i na vukudra na Fijian Holdings Limited au vinakata meu vakavinavinakataki i ratou na lewe ni Matabose e ra vakacegu mai na nodra i tutu ni Dairekita ni FHL ena loma ni yabaki vakailavo qo: Colonel Apakuki Kurusiga, Filimone Waqabaca, Viliame Gavoka, Ulaiyasi Baya, Ratu Samuela Nawalowo kei Aseri Radrodoro.

Bibi vei au meu vakavinavinakataki ira na FHL Executive Management kei ira na tamata cakacaka na nodra qarava vakavinaka na cakacaka ena loma ni yabaki vakailavo. Sa mai nodra vakavinavinkataki talega kina na FHL Board vei kemuni na tamata cakacaka ni mai laurai na kena rawa ka na kabani na yabaki qo.

Vei kemuni na taukei ni sea, meu vakavinavinakataki kemuni e na yalo ni vei tokoni e nai lakolako ni kena sagai me rawa ka vinaka kei na kena tubu tiko na kabani me rawa ni dina na tatadra e a yavu taki kina na kabani mai na kena tekitekivu.

Vinaka vakalevu



Iowane Naiveli
Chairman

16th September, 2014

GROUP CEO'S REPORT

TUKUTUKU NI
KABANI COKOVATA

I am pleased to present this Report for the year ended 30 June 2014. During the period review, the Fijian economy recovered to encouraging levels reflecting strengthening domestic demand, improving external environment with a stable inflation. The report outlines the strategies and actions, taken by the Management Team under the guidance of the Board of Directors which resulted in the financial performance outcome of the previous 12 months. It also provides an indication of what direction the Group will take in the medium term.

I note with pride that the Fijian Holdings Group has once again proven its ability to transform challenges into opportunities, achieving growth under difficult conditions in some key sectors. The skills and adaptability of our people combined with diversity of our business led to commendable performance during the year.

Our achievements once again reflect the commitment of many people working together with a single minded vision in pursuing a common goal. It is this commitment both corporate and individual that lies at the heart of our success. We at FHL are of the view that it is the confidence of our stakeholders that drives us forward to achieve success, thereby ensuring that your interests are secured. Thus your continued support and cooperation is greatly appreciated.

FINANCE

Fijian Holdings Group achieved a consolidated revenue of FJD 271 million for the financial year ending 30 June 2014, an increase of 18% over the previous year. In terms of consolidated pre-tax profit, FHL recorded an increase of 21%, from FJD 19.46 million in 2013 to FJD 23.63 million in 2014. The Group consolidated post-tax earnings amounted

E ka ni marau vei au meu solia nai tukutuku me baleta na yabaki ka mai cava ena 30 ni Jiune 2014. Ena loma ni gauna ka vaka raici tiko qo, a tubu cake ena dua na nai tutu marautaki na tutu vakailavo ka vakaraitaki Na rawarawa na veika e vinakata eke, vinaka cake na veika mai vanua tani ka na dei ni sau ni yaya. Vakaraitaka nai tuvatuva kei na veika me vakayacori ena timi ni veiliutaki ena ruku ni vei tuberi ni Matabose ni Daireketa na uasivi ni veika e rawa vakailavo ena 12 na vula sa oti. E solia talega e dua na i vakaraitaka na vanua ena mua kina na kabani cokovata ena veimama ni yabaki ka tu mai.

Au raica ka doka nai vakaraitaka tale na Fijian Holdings Group na nona i tutu me vakarota na ua ni veisau me rawata kina na tubu e so na tabana. Na kila kei na i faiva ni neitou tamata bau vata kei na veibasoga ni neitou bisinisi sa mua kina uasivi ni neitou cakacaka vinaka ena loma ni yabaki.

Na veika keitou rawata e vakaraitaka na neitou dau cakacaka, cakacaka vata me rawa na veika nanumi me rawa. na yalo dina ni cakacaka va oya e uasivi ni neitou rawa tubu, ka vakadeitaka na kena rawa na nomuni ga'agadre na nomuni veitokoni kei na duavata e vakaraitaki vakalevu.

RAWA KA VAKAILAVO

E rawata na Fijian Holdings Group na i lavo e curu mai e FJD 271 milioni me baleta na yabaki vakailavo ka cava ena 30 June 2014, na tubu e 18% baleta na yabaki yani e liu. Baleta na tubu ni kabani cokovata ni bera ni musuki na i vakacavacava, e rawata na FHL na tubu 21%, mai na FHL 19.46 milioni ena 2013 kina FJD 23.63 milioni ena 2014. Na veika a rawata na kabani cokovata ni sa musuki oti nai vakacavacava e kena levu e FJD 14.39 milioni ena 2014 ni raici vata kei na FJD 12.74 milioni ena 2013,

to FJD 14.39 million in 2014 as against an amount of FJD 12.74 million in 2013, reflecting a large tax payment in 2014 and the effects of the discontinuation of the FHL Logistics operation during 2014.

Fijian Holdings Ltd as the holdings company reported a pre-tax profit of FJD 9.73 million from a revenue of FJD 19.45 million. In the previous year, it was a pre-tax earnings of FJD 9.39 million reported from a revenue of FJD 19.34 million, reflecting better management of costs during the financial year.

RB Patel Group continued to be the biggest revenue contributor to the Group with a revenue share of 34% followed by Basic Industries (13%), Fiji Television (12%) and South Sea Cruises (12%). In contrast, Merchant Finance with a lower revenue, contributed the highest pre-tax profit to the Group with a share of 27% followed by RB Patel Group with 20%.

Overall, the year under review though challenging at times, in terms of the operating environment, was rewarding by the strengthening of our position through the discontinuation of operation of FHL Logistics operation, the restructuring of both FHL Media Ltd and our PNG operation.

Summarised below are the key financial highlights of our operating performance during the year under review:

- Group Revenue increased by 18% to FJD 271 million.
- Post-tax profits reached FJD 23.63 million reflecting a growth of 21% from last year.
- Total income tax expenses of FJD 8.31 million.
- Group generated a total cash flow of FJD 265 million for the period.
- Overall Cost of Sales amounts to FJD 149 million.
- Total Group Assets declined from FJD 475 million in 2013 to FJD 458 million in 2014.
- Total Group Liabilities declined from FJD 273 million to FJD 258 million.
- Overall investment portfolio of Fijian Holdings Ltd remain unchanged at FJD 210 million.

OPERATIONS

Merchant Finance (MF) continues to be a star in the Group with an impressive pre-tax profit growth of 8%. While the loan portfolio reached FJD 120 million in the current year, Public Deposit at MF exceeded of FJD 100 million and two new branches were opened in Taveuni and in Damodar City. With pre-tax profit of FJD 7.86 million for the financial year and staff numbers less than 65, MF continue to be the most efficient group company.

RB Patel showed marginal growth in revenue but achieved 10% higher profit due to the change in tax rate applying to a listed company. Whilst we continue to search for new income streams other than Cinema operations, exploring for new store locations continues in a very competitive market. RB Patel has the lowest profit margin in the Group due to the nature of its retail business where more than 30% of its revenue falls under price control regulations.

vakaraitaka e dua na saumi vakacavacava levu ena 2014 kei na macala ni veika a yaco ena kena musuki na cakacaka ni FHL Logistics ena 2014.

E vakaraitaka na Fijian Holdings ka lewai ira na veikabani cokovata na tubu levu ni sa bera ni musuki nai vakacavacava e FJD 9.73 milioni mai nai lavo e curu mai e FJD 19.45 milioni. Ena yabaki yani e liu, a duanai lavo a rawa ni bera ni musuki na i vakacavacava e FJD 19.34 milioni ka vakaraitaka na lewai ni lavo ni veika era sauma ena loma ni yabaki vakailavo.

Tomana tiko na RB Patel Group me dua ka rawa i lavo taudua kina kabani Cokovata ka rawata kina na sea e 34% ka rawarawa na Basic Industries (13%), Fiji Television (12%) kei na South Sea Cruises (12%). Ni vakatauvatani, Merchant Finance kei na i lavo lailai e rawata, e solia na tubu levu ni bera ni musuki na i vakacavacava kina kabani cokovata ena sea e 27% ka rawarawa na RB Patel ena 20%.

Ni raici vakararaba, na yabaki ka dikevi tiko sa dua na gauna e dredre ni veiqaravi ka rawa talega kina e levu na veika vinaka ena kena sa mai musuki kina na veiqaravi FHL Logistics, na kena tuvalaki na FHL media Ltd kei na veiqaravi ni neitou PNG.

Tuvai koto qo e ra na veika lelevu vakailavo ni neitou veiqaravi ena loma ni yabaki ka vakadikevi tiko qo;

- Tubu nai lavo ni kabani cokovata ena 18% kina FJD 271 milioni .
- Tubu vakailavo ni musuki oti na i vakacavacava e yacova na FJD 23.63 milioni vakaraitaka na tubu e 21% mai na yabaki sa oti.
- E rawa mai e saumi kina e FJD 8.31 milioni .
- E veiqaravi na kabani cokovata ena i lavo e FJD 265milioni ena loma ni yabaki vakailavo.
- Na i sau taucoko vakailavo ni veivoli e yacova na FJD 149 milioni.
- Levu taucoko ni yaubuli taukeni ni kabani cokovata e lutu mai na FJD 475 milioni ena 2013 kina FJD 458 milioni ena 2014.
- Levu taucoko ni dinau ni kabani cokovata e tutu mai na FJD 273 milioni kina FJD 258 milioni.
- Levu taucoko ni vakatubuilavo ni Fijian Holdings Ltd e sega ni veisau ena FJD 210 milioni.

TUTU NI VEIQARAVI

Tomana tiko na Merchant Finance (MF) me dua na kalokalo serau ni yabaki cokovata ena totoka ni musuki na i vakacavacava e 8%. Ena yacova kina na kabani cokovata na i tutu ni kere i dinau e FJD 120 milioni ena yabaki vakailavo qo, na vakacuru i lavo kina na baqe ena MF e sivia e FJD 100 milioni ka dolavi talega e rua na tabana vou mai Taveuni kei na Damodar City. Na tubu ni bera ni musuki na i vakacavacava e FJD 7.86 milioni baleta na yabaki vakailavo kei na vakalailaitaki ni tamata cakacaka kina 65, sa tomana tiko na MF na kabani cicivaki vinaka ena kabani cokovata.

Vakaraitaka o RB Patel e dua na tubu lailai ena i lavo curu mai, e rawata e 10% na levu ni tubu vakavu mai na veisau ni vakarau ni vakacavacava kina na kabani na kabani ka dolavi kina na saumi sea. Dina ni tomani tiko eso na vakasaqara i lavo me i kuri qaravi ni yaloyalo yavala, toso tiko na sasaga kina vakasaqarai ni vanua me tara kina na sitoa ena

A remarkable turnaround was noted at Basic Industries Ltd, reflecting the growth in the domestic economy where Fiji wide infrastructure development provided opportunities for quarry and mobile crushing operation to excel during the year. This together with a greater management focus on debt collection, increased profit margin.

Despite strong competition, Pacific Cement Ltd (formerly Fiji Industries Ltd) exceeded expectations with an improvement in earnings. For the period under review, PCL exported more than 37% of its cement production to Pacific Island countries, where bagging cement under customer owned brand commenced for the first time. A change in management team went a long way to achieving results.

South Sea Cruises together with Blue Lagoon Cruises Ltd reported a healthy financial year with the exception of a fall in value of the now idle, Mystique Princess. The vessel is a surplus to current operations and listed as an asset available-for-sale in the books. Whilst the company is doing well, FHL has provided for a reduction in value of FHL's investment, from the original value of FJD 62 million to FJD 55 million as at 30 June 2014. This is not a permanent diminution in value but reflects the effects of Cyclone Evan on the current year results as well as the recovery of BLC results that is underway.

PNG based Pasifika Holdings Ltd was renamed Basic Industries (PNG) Ltd to better reflect its operations. During the year, the company acquired leasehold rights to a 13-acre site for 25 years. At present, the site is being prepared to include a new concrete batching plant, a large warehouse, a container yard, staff accommodation and office. Space will also be allocated for a block plant and a pre-cast yard in order to cater to future demand for this type of products. Whilst the operations made a loss for the fourth consecutive year, the Board is confident that the company will turn around in the near future. A locally based strategic partner is being sought for this operation.

FHL Properties Ltd has five large Suva based properties including two premium sites with great development potential. Within the next 12-24 months, the Gordon Street land will be developed into FHL Towers, a 12-14 story office complex. The Gladstone Road site will become part of our future real estate development plans. During the year, the company divested its Lautoka based properties to concentrate on the Suva City properties.

FHL Fund Management Ltd is becoming the fastest growing financial services company in the country with the Fijian Holding Unit Trust reaching FJD 59 million in deposits with more than 4300 unit holders. With the commencement of Employee Deduction Schemes, civil servants too have become part of the fund and will provide a sustainable monthly inflow of funds. Finding the right investments for the fund is a major challenge that we are coping with at present. Our preference is for a moderate dividend flow as this is a balanced fund rather than a growth fund.

FHL Stockbrokers Ltd continues to play a major role in the South Pacific Stock Exchange even with dismal performance of the overall market. Illiquid stocks and the absence of speculative investors makes the stock

vanua ni veiqati vakavuakete. E lailai taudua na vakarau ni tubu vei BB Patel ena kabani Cokovata e vakau mai na i vakarau ni qaravi sitoa ni volivolitaki ka tarai ira na lavo sivia e 30% na i lavo e rawata e koto ena ruku ni lawa ni lewai ni sau ni yaya.

Dua na veisau levu a laurai ena Basic Industries Ltd, ka vakaraitaka na tubu e na bula vakailavo e Viti ni sa na vakavinakataka na cakacaka lelevu eso ena kena vakayacori na qaqi vatu na kena e kau ena lori. Na kena qo e vukea vakalevu na kena soqoni mai na i dinau ka vakavinakataka na tubu ni lavo e rawa.

Dina ni kaukauwa na veiqati, e sivia na Pacific Cement Ltd (kilai e liu me Fiji Industries Ltd) na veika a nanumi me rawa ka uasivi sara na veika a rawa. Me baleta na yabaki vakailavo, a vakauta ki vanua tani na CPL e sivia e 37% ni simede a bulia rawa kina matanitu ena Pasifika, na vanua era qai laki tawai taga kina me ra volitaki ena yaca era laki volitaka kina, ka marautaki kina vakalevu. Na veisautaki ni timi ni veiliutaki esa laurai na vatukana.

Rau rawata e dua na i tutu ni lavo vinaka na South Sea Cruises kei na Blue Lagoon Cruises Ltd ena yabaki vakailavo qai vakaro na lutu ni sau ni Mystique Princess sea sega tu ni cakacaka ena gauna qo. Sa okati tu vakaiyabula tu na yacana me volitaki ka okati me i yaubula taukeni ena i vola. Dina ni toso vinaka tiko na kabani, sa solia na FHL me vakalutumi na kena i sau kina FJD 55 milioni ena i ka 30 June 2014. E sega ni tosoi sobu vakadua na kena i sau ni vakaraitaka na tatara ni cava o Evan ena yabaki qo ka vaka kina na vinaka cake mai ni ka e rawata na BLC.

Sa vakayacani na Pasifika Holdings Limited mai PNG me yacana na Basic Industries (PNG) Ltd me kilai vinaka kina na nona cakacaka. Ena loma ni yabaki, a rawata kina na lisi e 13 na eka na kena levu ka 25 na yabaki na kena dede. Ena gauna qo sa vakarautaki na vanua me dabe kina e dua na vale ni buli simede, dua na vale ni yaya, dua na vanua me ra tu kina na 'containers', na nodra vale na tamata cakacaka kei na vale ni volavola. Dua na vanua me baleta na misini ni buli buloko kei na pre – cast yard me baleta na veika e gadrevi ena gauna mai muri. Dina ni lusi na kabani e na yabaki va veitaravi, e nuidei na matabose ni na uasivi mai na veika ena rawata ena dua na gauna sa tu mai. Sa vakasaqrai e dua na kabani mai keya me rau cakacaka vata.

E tu vua na FHL Properties Ltd e lima na vale kei na qele ka okati kina e rua na vanua vinaka me rawa ni vakalevutaki. Ena loma ni 12-24 na vula ka tu mai, na qele ena Gordon Street ena cakacakataka me FHL Towers, e dua na vale taba 12-14 na vale ni volavola. Na vanua ena Gladstone Road ena tiki ni neitou dau qarava kina na volitaki kei na voli vale. Sa na biuta tani na kabani tiko mai Lautoka na nona vanua kei na vale ka me sa vakanamata vakadua ena Suva City Properties.

Sa totolo sara na tubu ni FHL Fund Management Ltd na kabani veiqaravi vakailavo ena vanua o viti kei na Fijian Holdings Unit Trust ka tara yani na FJD 59 milioni e curu tu ena baqe vata kei na sivia na 4300 era i taukei ni Unit. Mai na tekivu ni kena dau musuki ni kedra i sau vaka cakacaka, e ra sa lewe talega ni fund na cakacaka vakamatani ka na tasova mai kina na kedra sau ena veivula. Na vakailavotaki ni vakatubuilavo dodonu sa dua na sasaga dredre ka keitou sa rawata tiko ena gauna

market slow and inactive but the recent concessions provided for listed companies may result in several large companies going public in the coming months. The FHLS operation has been an ongoing challenge but with the limited group business and through providing auxiliary services, the company has become profitable.

FHL Logistics Ltd was a business that the group commenced in 2010. Despite the best efforts of the Board to turn the operation around, the overall loss incurred by this subsidiary from inception to closure was in excess of FJD 8 million. As a result of this unfortunate investment various new mechanisms have been put in place to improve the evaluation of investments in order to avoid a similar situation happening in the future.

Whilst we are driven to win and deliver results in our businesses, we are also conscious of our responsibility to multiple stakeholders in order to ensure the sustainability of our enterprise.

PEOPLE AND SYSTEMS

The success and growth of a diversified Group such as ours is dependent largely upon the contributions made by each and every employee of the Group. We appreciate our employees' continuous contribution towards the company's improved performance. We see the scarcity of talent as being the single biggest impediment to growth and a proactive leadership development plan is being put in place.

I wish to pay tribute to our 1,617 employees who make it happen and their contribution and commitment during a challenging but yet an exciting year. Our employees are an integral part of our success and key component of our system. We will continue to implement processes by which we attract and retain talent, as an employer of choice.

People, the most important asset for the group continues to provide us with challenges. Whilst we have adopted internal promotion or transfer as the best HR policy for the company, for the past few years, we have had to accept that this is not necessarily the best policy going forward. The recent experience at FHL Logistics Ltd and Fiji Television indicate that we need to modify our people policies to include external recruitment to cope with the dynamic challenges of the environment. The example of Pacific Cement highlights that timely action taken to remove ineffective management helps to maintain and improve shareholder value.

The Group's employee code of conduct is the backbone of its reputation, driving uncompromised conformance to ethical, transparent and open conduct with adoption of Zero-Tolerance attitude. In addition, the Group also places great importance on the health and safety of the workforce, customers and third parties.

Conducting business successfully across the FHL Group requires complying with established best practices in Corporate Governance, and identifying and managing risks material to the business of the Group and its key stakeholders through effective stakeholder management.

qo. Keitou gadreva me rawa ni drodro lesu tale e dua na tubu ni lavo me uasivi ka ni qo e sega ni lavo me tubu, me veiraurau tikoga.

Tomana tikoga na FHL Stockbrokers Ltd me qaravi na i tavi levu ena South Pacific Stock Exchange dina ni leqa na veika e rawata ena makete taucoko. Na lailai ni lavo kei na i yau, na sega ni tu o ira era via vakatubuilavo ka va leqa na toso ni stock market, ia e dua na veivuke vakailavo vei ira na kabani ena vakavuna vei ira na levu na kabani lelevu me ra dolavi raraba ena vola ka tu mai. Na veiqaravi ni FHLS e dua na cakacaka sotava na dredre ia na veivuke ni so na kabani lalai kei na so tale na veivuke, sa rawata kina na kabani eso na tubu.

Na FHL Logistics a dua na bisinisi ka tauyavutaka na kabani cokovata ena 2010. A solia na matabose na nona i gu me rawa ni tubu na tabana qo, ia na lusi a yaco ena kabani me vakatikina mai na kena tauyavu sa sivia e FJD 8milioni. Vuqa na sasaga a vakayacora na Matabose me vakavinakataka na kena dikevi na rawa tubu ni vakatubuilavo me tarovi na kena yaco tale na leqa va oya mai muri.

Dina ni cakacaka me da rawa tubu ka kunei na vatukana ena noda bisinisi, e da kila talega na noda i tavi vei ira era taukena me rawa ni toso tikoga na noda kabani.

TAMATA KEI NA KABANI

Na cici vinaka kei na tubu ni duidui kabani cokovata me vaka na nodatou e vakatau vakalevu ena nodra cau na tamata yadua ena kabani. E da marautaka na nodra cau e gauna taucoko na noda tamata cakacaka ena uasivi ni veiqaravi ni kabani. Eda raica na lailai ni taledi e dua na leqa e vakabera na rawa ni ka ia sa raici ni na vukea oya na vakavinakataka. Au gadreva meu vakavinavinakataka ira na 1580 na tamata cakacaka ka ra tosoya tiko na veiqaravi, na nodra yalo dina kei na cau era lewetini kabani. Keitou na tomana tiko me vakayagataka na tabana taucoko ka keitou na dre mai ka maroroi ira me dei tu na taledi ni gadrevi ena veiliutaki.

Era i yau taukei bibi taudua na tamata me rawa ni tosoya tiko kina na kabani cokovata na nona solia vei keda na veika eda gadreva. Dina ni keitou sa vakayagataka e loma ni kabani, na tosoi ni tutu kei na nona veitoroyaki kina veitabana me vaka e gadrevi ena i vakarau ni vakayagataka tamata ena kabani, keitou sa raica qo ni sega soti vakarau uasivi ni toso ki liu. Na veika keitou sotava walega qo ena FHL Logistic kei na Fiji Television e vakaraitaka ni dodonu me keitou vukika na i vakarau ni vakayagataka tamata kau kina na tauri tale mai na tamata vou mai tuba me sota kei na veisau neitou veiqaravi. Na vaka e vakaraitaka na Pacific Cement ni nodra vakasukai na veiliutaki ka nodra ka sega ni vinaka na nodra veiliutaki ena vukea me maroroi laveta cake na veika era vinakata na i taukei ni sea.

Na i vakarau ni cakacaka e virikotora tu baleta na tamata cakacaka vakadodonu, vakasavasava ka sega ni dau tutaka na veika era cala. Kena i kuri, e tutaka talega na bibi ni bula kei na taravi ni vakacalaka vei ira na tamata cakacaka, o ira keitou veiqaravi vata kei ira tale eso mai tuba.

Since 2011, FHL has executed an extensive corporate governance framework with 13 principals. In addition, we have adopted a rigorous conceptual framework for risk management, compliance, board performance and board meeting evaluation and even the board agenda has been modified to avoid any confusion and conflicts. The reality is that the foundation has been set for the next aggressive expansion for the Fijian Holdings Group and we have to ensure that the Group is well placed to handle this expansion.

FHL commenced its shared services concept or centralized services model in 2003. Since then FHL has achieved huge savings but at the same time, has created its own issues due to the ever increasing diversity of the Group. Within this context, the Group adopted a new approach to decentralize these functions into Strategic Business Units (SBU) subject to retention of any share services plans that provide actual savings. As at 2014, most SBUs are operated independently with minimum support from the holding company.

Historically, we have recognized the importance of proactively interacting with our stakeholders by listening to and if necessary responding to their concerns and priorities. During the last two years, we have fine-tuned our processes to ensure that our relationship with each stakeholder creates mutual value. The value thus created is what makes FHL a solid investment for our investors and a partner of choice for our many stakeholders. At FHL, we value the smart synergies and sense of belonging which we engender by engaging with stakeholders in managing a conglomerate as diversified as ours.

FUTURE OUTLOOK

FHL is a firm believer in capital markets and to date, FHL together with its listed entities RBG and FTV, accounts for more trades than any other company on the South Pacific Stock Exchange. FHL issued one of the first corporate bonds in Fiji far back in 2003 to develop Ra Marama, our head office building. At present, FHL is working on taking at least two of its subsidiaries public. This would provide a fair return to FHL, which toiled hard to develop these entities while promoting a share-owning corporate democracy in Fiji. This is one way in which we achieve our mission of facilitating iTaukei participation in commercial enterprise.

Our plans for the next 12 months include the commencement of Cinema operations in Nadi, investment in the Energy sector and possible acquisitions / mergers of the property portfolio. Even before commencing the Cinema operations, we have received enquiries to manage other proposed cinemas, indicating strong faith in our style of management.

Our recent strategic investments are delivering the results we expected, and going forward, we are confident that the Group will continue to enjoy sustained growth and will achieve higher returns on our capital employed in the medium to long term on the back of these investments. Fijian Holdings Group will continue to pursue new areas of business that will complement our strategies and align well with our vision,

Na cicivaki vinaka ni bisinisi ena loma ni FHL Group e gadrevi kina na vakayagataki ni vakarau ni cakacaka maikia ena veiliutaki ni Kabani cokovata, kilai ka vakacegui na ririko ka vavua na veika rerevaki kina bisinisi ni kabani kei ira mai tuba e da veivekani vata.

Tekivu mai ena 2011, sa vakayacora na FHL we dua na i vakarau ni vakarabailevutaki ni veiliutaki me 13 na i liuliu. Me vakuria, keitou sa raica vakararaba ni e dua na i tuvatuva me lewai matua kina na ririko, na kena vakayagataki, na bose ni matabose kei na kena dikevi vakavinaka nai tuvatuva ni veika e bosei ka raici me ra matata ka veicoqacoqa na nodra i tavi. Sa vakadakeri na yavu me vakaraibalavutaki kina na cakacaka ni Fijian Holdings Group. Keitou na raica ni sa tu na kabani cokovata me raica na cakacaka ni veisau eso qo.

Sa tekivutaka na FHL na nona wasea na vakasama ni veicakacaka se veiqaravi mai na dua ga na vanua ena 2003. Mai na gauna oya sa vakabula na FHL e dua na i lavo levu, ena gauna vata ga talega oya, tekivutaka eso na vakasama me baleta na toso ni vakailavu ni kabani cokovata. E na vakasama qo, sa tekivu na kabani me na vakasamataka na kena wasei yani na veitavi eso ena Strategic Business Units (SBU) me vaka na maroroi ni tuvatuva ni cakacaka ni sea ka raica na ka saraga e maroroi. Ena gauna qo 2014, vuqa na SBU era qaravi ira vakaira ena veivuke mai na kabani cokovata.

Keitou sa vakila mai na veika sa yaco oti ena bibi ni neitou dau vataratara kei ira ka tautauvata na neitou gagadre ena neitou dauveirogoci ka veitaratara ena veika keitou dauveirogoci ka veitaratara ena veika keitou vakadikeva. Ena rua na yabaki sa oti, keitou sa moica vakavinaka na neitou cakacaka kei ira ka tautauvata na neitou gagadre. Na veikilai ka kune kina sa solia kina FHL na yavu dei ni vakatubuilavo. Ena FHL keitou vakaleuca na 'smart synergies' kei na neitou okata na veika taucoko me neitou duavata ena liutaki na veikabani taucoko me neitou.

NA RAI KI LIU

Na FHL e dau tutaka na kena yaga na makete ni veivoli sea me yacova mai oqo, na FHL ka oka kina ko RBG kei FTV era voli vakalevu na nodra sea ni raici vata kei ira na veikabani ena South Pacific Stock Exchange. Solia na FHL nai matai ni dinau vakaveiyaloyali i Viti ena 2003 me tara kina na Ra Marama, na netiou vale ni volavola liu e tiko kina. E na gauna qo, sa cakacakataka tiko na FHL me oka tale ga e rua na nona kabani lailai me rau volai ena Stock Exchange. Oqo ena rawa mai kina nai lavo vinaka kina FHL, o koya ka dau cakacaka vakaukauwa me cakacakataka na kabani tutaka e dua na vanua ni vakatubuilavo cokovata e Viti. Oqo e dua na sala ka rawa ni da rawata kina na noda rai me vakavutukanataki oya na vakaitavi ni Taukei ena cakacaka ni bula vakailavo.

Na neitou nakinaki ena 12 na vula ka tu mai e R- na tekivutaki ni vale ni yaloyalo mai Nadi, vakatubuilavo ena Tabana ni livaliva kei na rawa tauri cakacaka vata kei na property portfolios. Dina ni se bera mada ga na qaravi ni vale ni yaloyalo, keitou sa ciqoma oti na vakatataro me keitou cicivaka na vale ni yaloyalo e ra vakarau tara tiko, vakaraitaka na i lavo e levu cake sara mai na lavo e vakayagataki ena gauna lekaleka kina gauna balavu ni vakatubuilavo.

whilst constantly exploring traditional sectors as well as new emerging sectors and industries.

Whilst Fiji will no doubt face her own share of challenges, we remain optimistic about the medium and long term prospects for growth. The Group has strong positions in high growth industries, and our task is to focus on building competitive advantages in order for us to remain relevant in a fast changing environment. Whilst we focus on driving operational results, we remain bullish about the future of Fiji, and the region. With this in mind, each of our sectors are encouraged to come forward with ambitious growth plans.

As one of the country's most respected conglomerate with a history spanning 30 years, we have built a solid foundation in value driven diversified businesses which are committed to enriching the lives of our stakeholders by driving performance through excellence in everything we do. We will continue to grow and shine in an ever changing environment to reach greater heights.

APPRECIATION

In closing, I would like to express my appreciation to the Chair and the Board of Directors for their support and contribution throughout the year. I would sincerely wish to thank the heads of group companies, functional heads, managers, staff members and the hardworking team, without whom the current achievements would not have been possible. Finally, my sincere thanks go out to all our shareholders for the trust and confidence you have placed in us, and let me assure you of our best efforts to take FHL to the next level, and create superior value for us all.

Ena tomana tiko na Fijian Holdings Group me vakasaqara na veimama ni bisinisi ka na vakaukauwataka na neitou i tuvatuva kei cici vata kei na rai ki liu ni kabani, ka vakasaqara na veibisinisi eke kei na kena era qai tekivu.

Ena gauna ena sotava kina o Viti na veidredre, keitou nuidei baleta na veigauna ni sa rawa vavinaka na tubu. E tudei tu na kabani cokovata na veitubu levu ena rawata mai na veicakacaka e taukena, na neitou i tavi me keitou rai matua ena buli cake na veiqati vinaka me rawa vei keda me da tomani tikoga na vaka e vinakata ena gauna dredre ni cakacaka. Dina ni da vakanamata kina cakacaka ni rawa tubu, keitou dei tiko ena veiqaravi e Viti kei na Pasifika. Ni nanumi tiko qo, na ka vakauqeti na veikabani ka me na kauta mai na nodra i tuvatuva ni rawa tubu.

Me vaka ni dua e Viti ka dokai vakalevu ena loma ni 30 na yabaki ni nona cici tiko mai, keitou bulia e dua na yavu dei ni vakasaqara tubu vakalevu ena wasei ni bisinisi ka raica na vakavinakataki nodra bula o ira keitou cakacaka vata kei na vakabibitaki na veiqaravi uasivi ena veika keitou vakayacora. Keitou na tomana tiko neitou tubu ka cakacakataka ena buturara ni vei veisau me yacova ni keitou yacova na i vakatagedegede e cake.

VAKAVINAVINAKA

Ni mai cava, au gadreva meu vakairaitaka noqu vakavinavina vua na i liuliu ni Matabose ni Daireketa kei ira na lewena ena nodra veitokoni kei na cau ena loma ni yabaki .

Au nanuma meu vakavinavinakataki ira na i liuliu ni veikabani, ena kabani cokovata, o ira na cicivaka e vale ni volavola kei na timi daucakacaka, kevaka ni yali na veika lelevu eda a rawata ra a sega vakavutukana.

Me kena i otioi, na noqu vakavinavina levu e lako tiko ki vei ira na i taukei ni sea ena nodra veivakakauti kei na nodra yalo dei veikedatou, kau via vakadeitaka veikemuni na neimami cakacaka vakavinaka me tosoi cake tikoga kina na FHL kina dua tale na i vakatagedegede, ka me da bulia na veika uasivi me baleti keda.

Vinaka vakalevu



Nouzab Fareed
Group Chief Executive Officer

16th September, 2014

OPERATIONAL REPORT OF SUBSIDIARY COMPANIES

TUKUTUKU MAI VEI IRA NA VEIKABANI COKOVATA

The Group consolidated post-tax earnings amounted to FJD 14.39 million in 2014 as against an amount of FJD 12.74 million in 2013, reflecting a large tax payment in 2014 and the effects of the discontinuation of the FHL Logistics operation during 2014.

01  **MERCHANT FINANCE**
Talk to us first

MERCHANT FINANCE & INVESTMENT COMPANY LTD
Fijian Holding's Shareholding: 80.00 %

The year was another challenging one for Merchant Finance with continued high market liquidity, increased competition and subdued credit demand. The high market liquidity continued to provide challenges to financial institutions on how to utilise those funds to get a return on them.

Despite these challenges, Merchant Finance had a very good year with another record pre-tax profit of \$9.8 million for the year, compared to F\$9.1 million registered the year earlier; a record up to that time.

The company continued to meet prudential requirements set by the Reserve Bank of Fiji for licensed credit institutions and is well capitalized with a strong liquidity position.

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

Being a good corporate citizen, the company contributed to providing employment to the large pool of University graduates who are looking for employment. Graduate trainees and attachees now contribute to the services offered by the company Fiji wide.

To continue offering exceptional service to customers, the company opened a new branch at Damodar City Complex, Suva, during the second half of the year. A strategic move was to establish this separate branch for corporate and rural customers in response to the increasing demand from the growing clientele. The new branch has increased business service accessibility, exposure and visibility for the company in the financial market.

In the coming year the company anticipates competition to intensify with competitive entrants and new products. Merchant Finance is well positioned to counter these competition with its continuous product review and tailoring of financial solutions to suit our customers and vehicle dealers. Furthermore the company will be reviewing its Strategic Plan and related strategies to ensure that its business model is refined to complement its competitive edge and at the same time made sustainable for the current economic environment.

The Company Directors are: Isikeli Tuituku (Chairman), Emitai Boladuadua, Robin Yarrow, Joeli Taoli, Nouzab Fareed, Sowani Tuidrola and Elenoa Lalabalavu

01  **MERCHANT FINANCE**
Talk to us first

MERCHANT FINANCE & INVESTMENT COMPANY LTD
Wase Ni Sea Ena Kabani Qo Ka Taukena Na FHL: 80.00%

Na yabaki sa dua na kena e veibolei kina Merchant Finance ena levu ni lavo e tu vua ka sega ni vakayagataki, levu na veiqati kei na lutu ni lavo me dinautaki. Na levu tu ni lavo ena makete me dinautaki e solia na bolebole vei ira na tabana ni lavo ena sala me vakayagataki kina na i lavo me rawa tale mai kina e dua na tubu.

Dina ni tu na bolebole qori, e sotava na Merchant Finance e dua tale na yabaki vinaka ena tubu a rawata e \$9.8 na milioni ni raici vata kei na tubu e \$9.1 na milioni a rawata ena yabaki yani e liu, qo e tekiva e dua na i sausau.

E tomana na kabani nona sotava vakavinaka na veika e virikotora na Reserve Bank of Fiji ena vakalaisenitaki ni veitabana ni dinautaki lavo ka ra vakailavotaki tu vakavinaka.

Me i kuri ni cavu i sausau ena tubu e rawa, a vakalevutaka na nona tamata cakacaka ka ra tuberi talega vakavinaka ena vuli me rawa ni ra qarava vakavinaka na nodra i tavi ena kabani. Era vakauqeti na manidia me ra tomana na vulici ni nodra i tavi ka bau kina o ira e ra cakacaka vata me ra tovolea na nodra i vola koroi me vukea na nodra kila. Vulici talega na i vakarau ni veisosomitaki me vakadeitaka na toso vinaka ni bisinisi ena nodra kila ka vinaka na kena vakaitavi.

Ena nona dau veiqaravi vinaka, a vakaitavi e dua na kabani ena nodra vakacakacakataki e dua na i wase levu ni gone era vakoroi ni vuku mai na univesiti ka ra vaqagara cakacaka. Era vuli tale na vakoroi kei ira era sa tekivu cakacaka tiko me vukea na cakacaka e solia na kabani ena veiyasai Viti.

Me tomana tiko na veiqaravi vinaka vei ira na dauvolivoli, sa dolava na kabani e dua na tabana vou ena Damodar City Complex, Suva, e na i karua veimama ni yabaki. E dua tale na sasaga na tauyavutaki ni dua na tabana me baleti ira na cakacaka e na kabani kei ira mai na taudaku ni veikoro lelevu me vaka na veika era vinakata me ra vukei kina. Sa toso vinaka sara na tabana vou ena veiqaravi ka sa vakaraitaki koya ena makete ni lavo.

Ena yabaki mai qo sa vakila na kabani na veiqati kei na so era curu mai kei na nodra i voli vou. Sa qarauni koya vinaka na Merchant Finance me valuta na veiqati oya ena nona raica me tu vinaka na nona i voli kei na vakarautaki maqosa ni wali vakailavo me ganiti ira nona dau volivoli kei ira era vinakata na voli lori. Ena vakuria na nona rai lesuva na kabani na nona i tuvatuva kei na faiva ni nona caka bisinisi me rawa ni toso tikoga kina na nona bula vakailavo

Daireketa ni Kabani: Isikeli Tuituku (Chairman), Emitai Boladuadua, Robin Yarrow, Joeli Taoli, Nouzab Fareed, Sowani Tuidrola kei Elenoa Lalabalavu



RB PATEL GROUP LIMITED

Fijian Holding's Shareholding: 50.75 %

In 2014, RBG achieved a net profit of \$5.9 million compared to \$5.3 million – an increase of 11%. This is after achieving a total revenue of \$103.71 million compared to \$102.23 million in 2013 – an increase of 1.4%. However, the pre-tax profit decreased due to the change in tax rate for listed companies from the next financial year and adjustments to the company's deferred tax balance.

This year also highlighted the construction of the Cinema Multiplex at the JetPoint Complex in Martintar, Nadi. The Cinema Multiplex is expected to increase the flow of customers to the complex and the surrounding areas as well as establishing its own name in the Cinema business. Currently, this project is 75% complete and expected to open to the public before Christmas 2014.

As RBG continues to expand and search for new sites, the company has demonstrated "We make it easy!" to its customers through their employees together with their core commitment to deliver "value for money". RBG also continues to seek for new products internationally that meet this aim.

Despite the challenges faced by RBG in 2014, RBG managed its cost and maintained its market share to achieve the financial results and add value to its shareholders as well as testing its ability to maintain costs within the overall parameters of the business.

The Company Directors are: Padam Lala (Chairman), Iowane Naiveli, Malakai Naiyaga, Kaliopate Tavola, Nouzab Fareed and Suren Patel



PACIFIC CEMENT LIMITED

Fijian Holding's Shareholding: 50.10%

During the financial year 2014, Pacific Cement Limited (PCL), formerly known as Fiji Industries Limited, underwent a name change. The Company recorded a total revenue of \$34.22 million, an increase by 13% compared to FY13 as a direct consequence of increased local activity and export volumes. The NPBT was \$1.41 million, which is a significant increase compared to FY13. This increase of 210% was mainly due to decrease in cost of production in house and volume sales. FY14 total cement sold was 140,951 tons compared to a budget of 105,771, an increase of 33.3%.

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

The Company Directors are: Sakiusa Raiwoce (Chairman), Viliame Cegumalua, Pravin Patel, Veeral Patel and Nouzab Fareed



RB PATEL GROUP LIMITED

Fijian Holding's Shareholding: 50.75 %

A rawata na RBF ena 2014 e dua na tubu e \$5.9 na milioni ni raici vata kei \$5.3 milioni – dua na tubu e 11%. Qo ni rawata oti e dua na i lavo curu e \$103.71 milioni ena 2013 – dua na tubu e 1.4%. E a lutu na tubu ni bera ni musu na i vakacavacava e na vuku ni veisau ni vakarau ni vakacavacava baleti ira na kabani e na stock exchange tekivu ena yabaki vakailavo mai qo kei na veisau ni vakacavacava ni kabani ka se bera ni vakayacori tiko.

E vakaraitaki talega ena yabaki qo na tara ni vale yaloyalo levu mai na Jet Point Complex mai Martintar, Nadi. Sa nanumi na tara ni Vale ni Yaloyalo oqo ena kauta mai e vuqa na tamata mai na veivanua voleka ka vakadeitaka talega na yacana ena bisinisi ni yaloyalo. Sa voleka ni tara oti na vale ka nanumi me dola ena siga ni sucu 2014.

Ena kena toso tiko na RBG me vakarabailevutaki ka vaqara eso na vanua vou, sa vakaraitaka na kabani na "Keitou na Vakarawarawataka" vei ira na dauvolivoli kei na neitou dau veiqaravi ena "Mate vinaka na i lavo". Tomana o RBG me vaqara na i voli vou mai vanua tani me sotava na nona gagadre.

Dina ni vuqa na dredre a sotava na RBG ena 2014, ia a lewa vinaka na i sau ni nona veiqaravi ka maroroya na nona sea ena makete me rawa kina na tubu vinaka ni lavo ka ra na marau taka na i taukei ni sea ka tovolea talega me tarova na tubu ni sau ni cakacaka ena loma ni bisinisi.

Daireketa ni Kabani: Padam Lala (Chairman), Iowane Naiveli, Malakai Naiyaga, Kaliopate Tavola, Nouzab Fareed kei Suren Patel



PACIFIC CEMENT LIMITED

Fijian Holding's Shareholding: 50.10%

E na 2014 a rawata kina na PCL e dua na i sausu ni lavo levu e \$34.32 na milioni, a tubu ena 13% ni raici vata kei na FY13, e vakavu qo mai na toso cake ni veika e vakauta. Ena yabaki vakailavo 2014, a \$1.41 na milioni na NPBT, oya e dua na tubu levu ni vakatauvatani kei na FY13, na lutu sobu ni sau ni buli yaya ena i qaqi kei na levu ni veika e volitaki. Na levu taucoko ni simede volitaki ena FY14 e 140,951 na tani ni raici vata kei na 105,771 ena tubu e 33.3%.

Ena sasaga ni toso ki liu, ena tomama na PCL na musuki ni sau ni buli yaya, yadrava vinaka na qaqi ni simede kei na raici me tubu cake na nona bisinisi ena makete ni volivolitaki. Na PCL e dua na kabani rogo e na Pasifika ena buli simede ka sa bulia e dua na i tuvatuva me veiqati kei na dua na makete vou na Tengy Cement.

Daireketa ni Kabani: Sakiusa Raiwoce (Chairman), Viliame Cegumalua, Pravin Patel, Veeral Patel kei Nouzab Fareed



BASIC INDUSTRIES LIMITED

Fijian Holding's Shareholding: 51.10 %

BIL's positive financial result for FY14 signifies that its survival and recovery strategies put in place over the last few difficult years have paid off. It also indicates that the downturn in the local construction industry since the last peak in 2006 has finally subsided and now expected to be trending upwards over the next few years. BIL's long-term strategy has always been to focus on its core business (i.e. quarrying, ready-mix concrete and concrete products) and strengthening it through organic growth and expansions into new market areas and locations. BIL now has a notable presence in the Northern Division and other remote project sites around Fiji. Its exports to other Pacific Island Countries now make up a significant portion of its revenue and profit. In August 2013, BIL launched Aglime, a new quarry product used in the agriculture industry for neutralizing acidic soils. Aglime is expected to have a major impact on local agriculture in the coming years, particularly in the sugar industry.

The forecasted growth of the local building and construction industry will have a positive impact on BIL's performance over the next few years. However, the company needs to proceed with caution as there has been a marked change in the local market landscape, with the formation of the FRA (Fiji Roads Authority) replacing the Department of National Roads, the set up of a second cement factory, the entry of a number of new Chinese operated Block Plants & Crushers and local Concrete Pre-casters, and the establishment of a number of large overseas construction companies from China and New Zealand. On the other hand, these new threats also come with new opportunities that management is focusing on capitalizing on through smart and effective new investment strategies.

In early FY14, Holcim NZ sold its 49% shareholding in BIL, ending a long and successful strategic partnership with Fijian Holdings spanning more than 20 years. The architects of this partnership must be commended for their vision in that it has not only returned its investment many times over through the years, but has established a very strong and robust company operated by a fully local Management Team with well trained and highly experienced staff. Holcim's 49% shares were sold to Vinod Patel Hardware, opening new investment partnership opportunities for Fijian Holdings into the hardware industry.

The Company Directors are: Padam Lala (Chairman), Iowane Naiveli, Pravin Patel, Viral Patel and Nouzab Fareed



BASIC INDUSTRIES LIMITED

Fijian Holding's Shareholding: 51.10 %

Na tubu vinaka vakailavo ni BIL ena loma ni yabaki FY14 e vakaraitaka na mana ni nona tuvatuva ka a tuvana ena vica na yabaki sa oti sa vakavotukana. E vakaraitaka talega ni sa vinaka cake mai na bisinisi ni tara vale ka mai lutu ena 2006 sa tekivu me toso cake tale ena vica na yabaki sa sivi. Nai tuvatuva balavu ni veigauna mai muri ni BIL me vakadeitaki ira na nona veitabana (qaqi vatu, simede qaqi oti kei na i yaya buli ena simede) ka vakadeitaki ena kedra qarauni ena makete eso kei na kedra vakatetei ena vanua era tiko kina. E vakilai na veiqaravi nei BIL ena Vualiku kei na so na cakacaka lelevu ena taudaku ni koro lelevu e Viti. E volitaki simede ena so na yanuyanu ena Pasifika ka uasivi sara na tubu vinaka e rawa mai kina. Ena Okosita 2013, a tekivutaka kina o BIL edua na lase Aglime me i vakabulabula ni qele mai na vatu qaqi me vakamalumulumutaka na gaga ni qele. E nanumi ni na yaga sara na aglime ena teitei ena veiyabaki mai qo ena tei donu.

Na tubu ena rawa mai na tara vale ena lako vinaka ki na BIL ena veiyabaki ka tu mai. Ia, ena gadreva na kabani me qarauna na nona i tosotoso me vaka ni se vuqa tiko na veisau lelevu ena makete me baleta na vakaduri ni FRA (Fiji Roads Authority) ka sosomitaka na tabana ni National Roads, na vakaduri ni karua ni vale ni simede, na curu mai ni vuqa na kabani ni buli block kei na qaqi vatu mai Jaina, kei na vuqa na kabani ni tara vale mai Jaina kei Niusiladi. Na leqataki ni vei kabani vou e kauta talega mai eso na veika vou ka sa wanonova matua tiko qo eso tale na tabana ni vakatubuilavo. Ena tekivu ni FY14, a volitaka na Holcim New Zealand na nona sea e 49% ena BIL ka mai muduka kina na nodrau veiwekani momona kei na Fijian Holdings rauta e 20 na yabaki na dede. Dodonu me vakavinavinataki o koya a tekivutaka na veiwekani qo ena vuku ni nodrau rai yawa ena kena sega walega ni vakalesui na nona vakatubuilavo ena vuqa na gauna ena vuqa na yabaki sa oti, e tekivutaka talega e dua na kabani kaukauwa ka cicivaka e dua na timi ni dauveilitaki kei ira na tamata cakacaka e tu vei ira na kila. Na 49% na sea mai Holcim sa volitaki vei Vinod Patel Hardware ka dolava kina na Fijian Holdings na vakatubu i lavo kina tabana ni volitaki yaya (hardware).

Daireketa ni Kabani: Padam Lala (Chairman), Iowane Naiveli, Pravin Patel, Viral Patel kei Nouzab Fareed



FHL PROPERTIES LIMITED

Fijian Holdings Shareholding – 100%

The 2014 financial year was indeed very challenging for the team however the Company recorded a 56% increase in net profit after tax of \$684,616 (2013: \$440,069). During the year, the Company declared a final dividend of \$500,000 to Fijian Holdings Limited compared to \$201,000 in the previous year.

The record performance is mainly attributed to the divestment of our properties in Lautoka (previously Blue Lagoon Cruises Limited headquarters) and the filling of some of the vacancies in some of our buildings. Another significant event was the finalization of the acquisition of the property on Gladstone Road which was completed during the year. This now brings our total portfolio to four buildings inclusive of Ratu Sukuna House, Vanua House, Ra Marama and FHLP Building.

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

The 2015 financial year is expected to be exciting yet challenging one with the focus of some key new projects for the company including the new FHLP Towers and a new location for one of our sister companies.

The Company Directors are: Sakiusa Raiwoce (Chairman), Ulai Taoi, Arun Narsey, Nouzab Fareed and Sowani Tuidrola



BASIC INDUSTRIES (PNG) LTD

Fijian Holding's Shareholding: 100%

Basic Industries (PNG) Ltd formerly known Pasifika Holdings Limited is a wholly owned subsidiary of FHL and is based in Papua New Guinea. The 2014 financial year has again proven to be a very challenging one, especially with the current operating environment and the availability of resources. During the year, Management strategically revamped the operations and structure of the business with its land investment and new business growth strategies that is expected to improve the results in 2015.

The Company Directors are: Iowane Naiveli (Chairman), Viliame Cegumalua, Nouzab Fareed Saleh Dayal and Elenoa Lalabalavu



FHL PROPERTIES LIMITED

Fijian Holdings Shareholdings – 100%

Sa veibolei kina timi na i tukutuku vakailavo ni 2014, ia e rawata na Kabani e 56% na tubu ni musuki oti na l vakacavacava e \$684,616 (2013:\$440,069). A vakaraitaka na Kabani ena loma ni yabaki na i otioti ni tubu me wasei e \$500,000 kina Fijian Holdings Limited ni raici vata kei na \$201,000 ena yabaki yani e liu.

E vakavuna vakalevu na cavu i sausau mai na kena sa volitaki na neitou vale mai Lautoka (na vale ni volavola ni Blue Lagoon Cruises Limited) kei na kedra vakatawani eso na vanua e lala ena so na neitou vale. E dua tale na ka bibi na kena vakaotivi na cakacaka tauri mai na vale e toka ena Gladstone Road ka a sa qaravi oti ena loma ni yabaki. Sa kauta mai na neitou vakatubuilavo taucoko kina va na vale ka wili kina na Ratu Sukuna House, Vanua House, Ra Marama kei na FHLP House.

A rawata na FHLP ena loma ni yabaki me vakadeitaka na vakatawani vakavinaka ni nona vei vale, ia na bolebole oya na kena i sau me veiraurau kei na qaravi vakavinaka ni vale me ra taleitaka na saumi rede ka me kakua ni vakaleqa na tubu ka no na wasea na i taukei ni sea.

Sa namaki na yabaki vakailavo ni 2015 me yabaki vinaka ka bolebole ena raici tiko ni so na sasaga vou baleta na kabani ka bau kina na FHLP Towers kei na vanua vou baleta neitou kabani tale eso.

Daireketa ni Kabani: Sakiusa Raiwoce (Chairman), Ulai Taoi, Arun Narsey, Nouzab Fareed kei Sowani Tuidrola



BASIC INDUSTRIES (PNG) LTD

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

Na Basic Industries (PNG) Ltd, a kilai e liu e na yaca na Pasifika Holdings Limited e dua na kabani ka taukena na FHL ka vaka i tikotiko mai Papua New Guinea. Sa vakadeitaka na yabaki vakailavo ni 2014 ni sa yabaki dredre vakabibi na vanua e cakacaka tiko kina kei na kena tu na veika me cakacakataki. E na loma ni yabaki a tuvana tale vakamatau na i tuvatuva ni bisinisi kei na vakatubuilavo ena qele kei na tubu ena i valavala ni caka bisinisi ka na kune na vatukana ena 2015.

Daireketa ni Kabani: Iowane Naiveli (Chairman), Viliame Cegumalua, Nouzab Fareed Saleh Dayal kei Elenoa Lalabalavu



FHL STOCKBROKERS LIMITED

Fijian Holdings Shareholding – 100%

FHL Stockbrokers Limited continued a positive performance from last year and achieved a profit before tax of \$64,109. During the past 12 months, the company maintained its position in the market, withstanding stiff competition, slow stock market activities and rising costs. The positive performance can be attributed to brokerage income earned from a number of trades and special crossings from our dedicated clients during the year.

FHLS has recovered from years of accumulated loss and has ascertained new opportunities to enhance positive annual results. The 2015 financial year is expected to be another challenging one for the company, however, FHLS will continue to canvas new opportunities to equip the company for another positive year. FHLS adopted a 5 year plan from July 2014, providing a clear pathway in sustaining the company long term.

The Company Directors are: Viliame Cegumalua (Chairman), Nouzab Fareed and Catherine Grey



FHL FUND MANAGEMENT LIMITED.

Fijian Holdings Shareholdings: 100%

FHL Fund Management Limited (FFML), formerly known as Fijian Holdings Trust Management Limited, is as a wholly owned subsidiary of Fijian Holdings Limited. In promoting the alignment of the FHL Group subsidiaries to better reflect our core businesses, the company formalized its name change at the beginning of this financial year.

During the year FFML recorded a total revenue of \$1.49m an increase of 30% compared to the previous year. Net profit after tax was \$0.43m, a positive 70% increase as compared to the results for FY13.

FFML as the Fund Manager for Fijian Holdings Unit Trust (FHUT) is optimistic that the forecast for the coming years will be robust and versatile in terms of growth and expansion internally and externally in line with its 5 year Strategic Plan.

The Company Directors are: Ulai Taoi (Chairman), Nouzab Fareed, Robin Yarrow, Catherine Grey and Saleshni Warran



FHL STOCKBROKERS LIMITED

Fijian Holdings Shareholdings – 100%

A tomama na FHL Stockbrokers Limited e dua tale na toso vinaka mai na yabaki sa oti ka a rawata kina e dua na tubu e \$64,109 ni bera ni musuki na i vakacavacava. E na loma ni 12 na vula sa oti, a tomama tiko na kabani na nona i tutu ena cakacaka ni makete, sotava na veiqati dredre, berabera ni makete ni volitaki sea kei na tubu ni sau ni cakacaka ni bisinisi. Na tubu e rawa mai e na volitaki kei na voli sea e rawa mai ena so na veivoli ka vakayacori na kabani kei ira era nona era volivoli ena loma ni yabaki.

Sa qai lamata cake mai na FHLS mai na nona lusi veitaravi ena vica na yabaki ka sa qai vakayacori na sala me vakadeitaka na tubu vinaka. Sa nanumi ni yabaki vakailavo 2015 sa na dua na yabaki ni sasaga ena kabani, ia na FHLS ena tosoya tiko na nona sasaga me vakaiyaraqitaki koya kina dua na yabaki vinaka. Sa vakarautaka na FHLS e dua nona i tuvatuva yabaki 5 mai na Jiulai 2014 me vakarautaka e dua na i vakarau me cici balavu kina na kabani.

Daireketa ni Kabani: Viliame Cegumalua (Chairman), Nouzab Fareed and Catherine Grey



FHL FUND MANAGEMENT LIMITED

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

Na FHL Fund Management ka kilai e liu me Fijian Holdings Trust Management Limited e taukena vakatabakidua na Fijian Holdings Limited. Na vakadeitaka ni ra sa duavata na veitabana ni FHL Group me vakaraitaka na neitou bisinisi taucoko, sa vakadeitaka na kabani me sa veisau na yaca ena i tekivu ni yabaki vakailavo qo.

A vakaraitaka na tubu na FFML a rawata ena loma ni yabaki na i lavo e \$1.49m ka levu cake ena 30% ni raici vata kei na yabaki yani e liu. Na tubu ni lavo ni sa musuki oti na i vakacavacava a \$0.43m, e dua na tubu vinaka e 70% ne raici vata kei na veika a rawa ena yabaki vakailavo ni FY13.

Na FFML ka Fund Manager ni Fijian Holdings Unit Trust (FHUT) sa raica rawa ni na cici kaukauwa ena veiyabaki ka tu mai liu ena tubu e na rawata kei na kena vakalevutaki ni veiqaravi me sota kei na i tuvatuva ni cakacaka ni 5 na yabaki.

Daireketa ni Kabani: Ulai Taoi (Chairman), Nouzab Fareed, Robin Yarrow, Catherine Grey and Saleshni Warran



FIJI TELEVISION LIMITED

Fijian Holdings Shareholding – 61.60%

Fiji Television Limited undertook a major organization restructure early during the financial year which was completed by September 2013. At the same time, Fiji TV transitioned from satellite IS18 to satellite IS19 and this was completed by the end of the calendar year 2013. The company underwent a major corporate rebranding that resulted in the launching of three additional pay television channels, corporate branding of company vehicles and new corporate uniforms for staff. Fiji TV also reviewed the pricing for its pay television services which resulted in an increase in the number of subscribers for the last eight months of the financial year. In addition, our content team has worked closely with local producers, organizations, ministries and communities to provide more local programs on Fiji One. Some of our new local programs include Super Fijians and Back in Time.

The main challenges faced by the company is the escalating cost of content, meeting subscribers demands for Sky Pacific services, stagnant local market and competition from other Television broadcasters, print media, billboard & big screens. The financial results for the year have been adequate, given that the team at Fiji TV continues to work on strict cost controls while generating new revenue opportunities. New processes and vigorous negotiations have resulted in the quality of its content being maintained while also ensuring that Fiji TV can continue to generate the necessary returns for its shareholders.

Fiji TV is also in negotiation with various parties for Sky Pacific's expansion into the region which should be implemented in the early part of the new financial year. Despite these challenges Fiji TV maintained its position as the leading broadcaster in the Pacific.

The Company Directors are: Padam Lala (Chairman), Isikeli Tuituku, Iowane Naiveli, Ajay Punja, Gary Callaghan, Suren Patel and Nouzab Fareed



FIJI TELEVISION LIMITED

Fijian Holdings Shareholdings – 61.60%

Sa vakayacori Fiji Television Ltd e dua na veisau levu ni tuvatuva ni cakacaka ena i tekivu ni yabaki vakailavo ka a mai cava ena Sepiteba 2013. Na gauna vata oya, sa tosoya na Fiji TV na satellite IS18 ki na IS19 ka cava na kena qaravi ni cava na yabaki vakailavo 2013. A sa vakayacori oti na kabani na kedra vakayacani tale e vica na sala ni TV saumi (channels) vakayacani na lori ni kabani kei na nodra i sulu ni cakacaka o ira era cakacaka. Sa raica lesu na Fiji TV na i sai ni television saumi ka yaco kina me tosoi cake na i wiliwili ni tamata era curu kina ena loma ni walu na vula sa oti ena yabaki vakailavo. Ke na i kuri, era cakacaka vakavoleka o ira neitou lewa na veika me vakaraitaki kei ira e Viti, i soqosoqo, tabana vakamatanitu kei na lewe ni vanua me lewai vinaka na veika e vakaraitaki ena Fiji One. Era okati ena neitou porokarama vou na Super Fijians kei na Back in Time.

Na dredre eso ka sotava na kabani oya na toso cake ni sau ni veika me vakaraitaki, sotava na nodra gagadre na sausaumi ena veiqaravi ni Sky Pacific, tu vakadua ni makete, veiqati mai vei ira na daunikakaburaki ena TV, veika e dau tabaki, na papa raraba ni tukutuku kei na vakaraitaki yaloyalo raraba e tautuba. Veika vakailavo a rawa e bau daumaka, ni raici vata kei timi ni Fiji TV ni lailai na i lavo e cakacaka kina ena sasaga me rawa mai na i lavo. Na sasaga vovou kei na sasaga ni veivosaki sa vakama na uasivi ni veika e vakaraitaki ena Fiji TV ka rawa kina vakalevu na tubu me baleti ira era taukeni sea kina.

Sa veivosaki tiko na Fiji TV kei na vuqa na i lala tale eso me vakarabailevutaki na veiqaravi ni Sky Pacific ena Pasifika ka nanumi me vakavatukana ena yabaki vou vakailavo. Dina ni so na veiqati, e vakadeitaka tiko ga na Fiji TV na nona i tutu ni uasivi taudua ena kakaburaki ena Pasifika.

Daireketa ni Kabani: Padam Lala (Chairman), Isikeli Tuituku, Iowane Naiveli, Ajay Punja, Gary Callaghan, Suren Patel kei Nouzab Fareed



SOUTH SEA CRUISES LTD

Fijian Holding's Shareholding: 100%

The current financial year has been another challenging one with the effects of Cyclone Evan in December 2012 continuing through to December 2013 when the last of the resorts serviced by South Sea Cruises re-opened for business. Despite these ongoing impacts the company traded ahead of budget and achieved a profit from operations of \$5.4m (\$4.1m in 2013). At year end an impairment charge of \$1.5m was booked against the holding value of Mystique Princess and the vessel is now shown as 'an asset held for sale'.

The mainstream sector of South Sea Cruises traded strongly throughout the year with our range of day trips making up for the softer Awesome Adventures backpacker market. In February 2014 the company entered into a service agreement with the new Sheraton Resort and Spa, Tokoriki Island, necessitating the purchase of a new 24metre fast ferry. It is currently under construction in Brisbane at a cost of \$6m and it will add further flexibility to the SSC fleet when it comes into service in September 2014.

The rebuilding of the Blue Lagoon Cruises products has continued throughout the year and the marketing effort will continue into the new financial year. In September 2013 a new itinerary was introduced with significant enhancements and inclusions and in April 2014 the Fiji Princess was given an end to end \$1.2m makeover, giving her a fresh modern look and providing guests with a new level of onboard comfort. These improvements have returned the products to their previous iconic status and have been very well received by the industry.

The outlook for the new financial year is positive and without any adverse weather events, the company anticipates making a record profit.

South Sea Cruises and Blue Lagoon Cruises achieved a combined total sales of \$39.3m (\$37.1m in 2013) for the year ended 30 June 2014 resulting in a net profit after tax of \$1.6m (\$801k in 2013).

The Company Directors are: Iowane Naiveli (Chairman), Nouzab Fareed, Roger Dold, Chris Jacobs, Kemueli Qoro and Salesh Dayal



SOUTH SEA CRUISES LTD

Fijian Holdings Shareholdings – 100%

E veibolei na yabaki vakailavo ena vuku ni revurevu ni vakacaca ni Cagilaba o Evans ena Tiseba 2012 ka yacova yani na 2013 ena gauna e dola kina na i otioi ni otela e qarava na South Sea Cruises. Dina ni sotava na dredre na kabani, a toso cake ga na veika a rawata ena tubu ni bisinisi ena \$5.4m (\$4.1m ena 2013). Ni cava na yabaki a cakacakataki ni lutu na i sau ni waqa na Mystique Princess ena \$1.5m ka sa nanumi me sa na volitaki.

Na tabana nuitaki ena South Sea Cruises na uasivi ni nona veiqaravi ena loma ni yabaki taucoko ena veisau pasidia ena vica na tirivu ena dua na siga ka ra vakayagataki vakalevu na "backpackers" na makete.

A curu na kabani ena Feperueri 2014 ena dua na veidinadinati vakacakacaka kei na otela Sheraton vou kei na Spa, yanuanu o Tokoriki, ka vakavuna na kena voli edua na waqa ni usa pasidia (ferry) 24 na mita na kena balavu.

E se ta tiko nai Brisbane na waqa ka kena i sau e \$6m ka na veivuke vei ira na SSC fleet ena gauna sa veiqaravi kina ena Sepiteba 2014. Na cokonaki vinaka tale ni yau ni Blue Lagoon Cruises e tomani tiko yani ki na loma ni yabaki vou vakailavo. E na Sepiteba ni 2013 a tekivutaki kina e dua na i tuvatuva vou ni soko. Ena Epereli ni 2014 a soli kina na Fiji Princess e \$1.2m me vakavinakataki kina, totoka na kena i rairai kei na kena i tuvaki ka solia vei ira na saravanua e dua na vakacegu e waqa. Na vakavinakataki ni waqa e vakalesuya mai na nona rawata na i yau kei na kena i tutu uasivi ka marautaka sara vakalevu na kabani.

Na lalawa ni raw aka vakailavo ena yabaki vou vakailavo e totoka tu, kevaka e sega na Cagilaba, e namaka na kabani me dua na tubu vinaka ena rawata.

Rau rawata vata na South Sea Cruises kei na Blue Lagoon Cruises na i lavo e \$39m (\$37.1m ena 2013) baleta na yabaki mai cava ena 30 ni Jiune 2014 ka rawa kina na tubu ni sa musuki oti na i vakacavacava e \$1.6m (\$801k ena 2013).

Daireketa ni Kabani: Iowane Naiveli (Chairman), Nouzab Fareed, Roger Dold, Chris Jacobs, Kemueli Qoro kei Salesh Dayal

REPORT ON ASSOCIATE COMPANIES AND OTHER INVESTMENTS

KEDRA I TUKUTUKU NA KABANI VEIWEKANI

A high-end supermarket at Damodar City Centre, Suva has been opened which is giving quite impressive results.



01 APCO

APCO PAINTING

Fijian Holding's Shareholding: 8.90 %

"The FY year 2013 -14 continued to be a great year for APCO Coatings. In spite of fierce competition, APCO has gained further market share and continued its leadership position in the country. Material cost has been steady during the year. We have maintained our commitment to customers to offer best value for paint purchase and maintained a steady pricing for our products without any price increase during the year.

After the successful launch of Villa Sunfast and Fortuna Silk in 2012 we continued to improvise further on that and came up with the brand new concept of "APCO WALL FASHION" for the 1st time in Fiji, which was launched in October 2013. We are currently offering 14 themes and each themes with 5 different designs. With WALL FASHIONS design, APCO has brought a new revolution in the interior designing of homes and offices in Fiji.

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

01 APCO

APCO PAINTING

Wase Ni Sea Ena Kabani Qo Ka Taukena Na FHL: 8.90%

Na yabaki vakailavo FY2013-14 e yabaki vinaka ki na APCO Coatings. Dina ni kaukauwa na veisisivi a rawata e vuqa tale na sea ena makete ka tomata tiko na nona i tutu liu e Viti. E dei tu na i sau ni yaya e na loma ni yabaki. Keitou vakadeitaka na neitou sasaga vei ira era volivoli ena i boro sau vinaka ka dei tu na kedra i sau ka sega vakatuburi cake ena loma ni yabaki.

Ni oti na uasivi ni kedra volitaki vakadua na Villa Sunfast kei na Fortuna Silk ena 2012, keitou vakuria na neitou vakatovotovo, ka oti sa qai kuria e dua na mataqali vou na "APCO WALL FASHION" ena i matai ni gauna e Viti, ka sa tekivu vakayagataki ena Okotova 2013. Keitou solia tiko 14 na mataqali ia na mataqali (theme) yadua e 5 na dui mataqali rairai. Na i vukivuki ni ubi ni lalaga, sa kauta mai na APCO e dua na i vakarau vou ni ukutaki loma ni vale kei na vale ni volavola e Viti.

Sa vakavinavinataki ira na dauveivoli ena vuku ni nodra veitokoni kina na kabani ka kerei ira veiwekani vakabisinisi ni FHL me ra sauma kei na APCO ena nodra cakacaka era qarava.

02 goodman fielder

GOODMAN FIELDER (FIJI) LIMITED

Fijian Holding's Shareholding: 10%

Goodman Fielder (Fiji) Limited is one of Fiji's leading food manufacturers with a portfolio of iconic and trusted brands, specializing 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 the long time held ISO: 9001:2008 and HACCP accreditation. Our key brands are household names including Crest, Tuckers, Twisties and Meadow Lea.

Keeping abreast with consumer demands and improving production efficiencies, Goodman Fielder has strongly invested and continues to invest in the poultry industry with state of the art farms and manufacturing systems. Poultry remains the biggest revenue driver for the business followed by ice-cream and snacks. We continue to enjoy number 1 brand position with excellent growth in these key categories over the last 12 months.

Goodman Fielder Fiji is proud to be Fiji's employer of choice with the implementation of our "GF Way" standards whilst also keeping key focus on Food Safety, Quality, OH&S and Environmental standards.

02 goodman fielder

GOODMAN FIELDER (FIJI) LIMITED

Wase ni sea ena Kabani qo ka taukena na FHL: 10%

Goodman Fielder (Fiji) Limited e dua vei ira na dau volitaki kakana liu e Viti ka vakayagataki na i vakatakilakila kilai levu ka kilai raraba ka volitaka na toa, ice-cream, kakana kilai na snacks, kakana ni manumanu kei na kakana me baleta na tamata. Sa dede na nona kilai na kabani ena nona bulia na kakana vinaka kei na kedra maroroi, vakadeitaka ena nona taura tu mai na ISO: 9001:2008 kei na HCCP. Na neitou i vakatakilakila na veiyaca kilai vinaka vaka na Crest, Tuckers, Twisties, kei na Meadow Lea.

Me sota kei na gagadre ni dauvolivoli kei na tosoi cake ni vinaka ni veika e rawa, sa vakaukauwataka na Goodman Fielder na nona vakatubuilavo ka tomata tikoga me vakatubuilavo ena susu toa e na kedra vale totoka kei na kena vakarautaki vinaka. E dei tiko na nona rawa i lavo tiko vakalevu na bisinisi ka muria yani na ice-cream kei na snacks. Keitou vakadeitaka tiko na neitou i tutu No.1 ena rawa tubu ena veitikina qori ena 12 na yabaki sa oti.

E dokadokai koya na Goodman Fielder Fiji me dau ni veivakacakacakataki uasivi ena kena vakayagataki na neitou "GF Way" ka keitou vakabibitaka na Maroroi ni Kakana, vakatagedege e i cake kei na muri ni maroroi ni veika e tu tikiva na OHS.



MARSH LIMITED

Fijian Holding's Shareholding: 25.00%

Marsh Limited continues to be the largest and leading risk consulting and insurance broking firm in Fiji and is part of the global Marsh & McLennan Companies (MMC) which is incorporated in the USA and listed on the New York Stock Exchange.

Marsh is much more than just an insurance broking firm. Marsh teams with its clients to define, design, and deliver innovative industry specific solutions to their risks which helps their clients protect their investment and thrive.

Marsh Fiji had an extremely good year in 2013 setting new records in new business acquisitions and expanded growth. This combined with a very high client retention rate and attributed to net income exceeding budget.

Contributing to this record breaking financial performance is Marsh's highly talented staff base. Despite the large number of graduates and highly trained staff continuing to migrate, Marsh is still able to recruit and retain leading professionals and becoming the Employer of choice in the local insurance industry. This depth of quality staff continues to be a key differentiator in winning new business and has long been the cornerstone of Marsh's sustained growth and success in Fiji.



GOLDEN MANUFACTURERS LTD

Fijian Holding's Shareholding: 30.00%

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

Golden is in the process of strengthening its organization structure, market share and revenue while ensuring that the existing customer base is maintained. The Company has successfully achieved its budget in year 2013 and also in track to achieve their projected forecast for the current financial year ending, December 2014.

Innovation is the key to everything we do at Golden. We are continuously working on innovative ways to raise the standard of our service and improve the consumer appeal of our packaging to ensure the success of customers' brands. To achieve this the company has recently invested in an eight color high graphic flexo printing machine which will enable Golden's business move forward to an another direction.



MARSH LIMITED

Wase ni sea ena kabani qo ka taukena na FHL: 25.00%

E tomana ka vekadeitaka tiko o Marsh Limited na nona i tutu ni tabana levu ka liu taudua ena veiqaravi ni ririko mai na qarava na cakacaka ni inisua e Viti ka tiki talega ni Global Marsh & McLennan Companies (MMC) ka a tekivutaki mai na USA ka volai tu ena New York Stock Exchange.

E vuqa na ka e qarava o Marsh ka sega ni cakacaka walega ni inisua. Rau cakacaka vata o Marsh kei ira era inisua me rau lewa, tuvana ka vakasamataka na kedrai wali ni ririko ka vukei ira era qaravi e na maroroi ni nodra vakatubuilavo.

E dua na yabaki vinaka ni qaravi bisinisi nei Marsh na 2013 ni sauva eso na i sausuau vou ena bisinisi vou e rawata mai kei na tubu vinaka. Qo e salavata kei na i vakarau vinaka ni nodra maroroi o ira era qaravi ka rawa kina na tubu sivia na veika e rawa mai ena lalawa e tuvai tu.

A rawa na i sausuau vinaka ni lavo nei Marsh mai na uasivi ni kila e tu vei ira era cakacaka kina. Dina ga ni vuqa vei ira era va koroi ni vuku kei ira era vulica vinaka na cakacaka era sa lako tiko i vanua tani, e rawa tikoga vei Marsh me tauri ira tale ka maroroi ira eso era kena dau me ra veiliutaki ena tabana ni inisua e Viti. Na tubu ni tamata dau cakacaka vinaka va qo e ra tomana tiko nai tavi me rawa mai kina eso na bisinisi vou me vakadeitaka tiko kina o Marsh na tubu ni bisinisi.



GOLDEN MANUFACTURERS LTD

Wase ni sea ena kabani oqo taukena na FHL: 30.00%

E tomana dei tiko na Golden Manufacturers Ltd na nona i tutu ni makete ni volitaki kateni buli ena pepa e Viti kei na Pasifika. E veiqaravi na kabani kei ira na i taukei ni bisinisi e Viti ka totoka na mawe ni ligana ena i yaya ni cakacaka vinaka e bulia. E tu talega ena kabani eso na i yaragi ni buli kateni (corrugated) me volitaki.

Sa vakaukauwataka tiko na Golden Manufacturers na nona i tuvatuva ni veiliutaki, na vakatubuilavo kei na i lavo e rawa mai ka vakadeitaka matua o ira era volivoli vua. Rawata vakavinaka na nona i tuvatuva vakailavo ena yabaki 2013 ni cava na yabaki 2014.

Ena yabaki mai qo sa raica tiko ni na gadrevi me dikeva vaka matau ka vakaukauwa taka na kena buli vaka maqosa io me uasivi sara na vakatagedegede ni nodratou i voli me rawa ni qaravi vinaka ka sotavi tiko na vei ka e dau gadreva na dau volivoli. Sa ma volia kina na Golden Manufacturers e dua na misini ni kesakesa e rawa ni kesa na kateni e na vei roka e dau gadreva na dau volivoli.



NEWORLD LIMITED

Fijian Holding's Shareholding: 15.4%

The financial year 2013 was eventful and challenging for the country in general and for the company specifically. During the year the company suffered a cyclone and a fire incident. These incidents hampered the business in a major way. The global commodity prices in general prevailed on the higher levels. As we are an import dependent country for the major part of our goods, higher commodity prices has had a cascading effect on the economy, resulting in higher cost of doing business.

Due to these challenges and natural disasters, the company posted a drop in sales of 3.20% and a post tax net profit of \$1.79m, a decline of 31.30% over the previous year. Steps have been taken by management with respect to range and margin rationalization and cost controls in order to achieve impressive results.

The management is confident of posting a good performance in terms of sales and profits in FY14. During the current year, a high-end supermarket at Damodar City Centre, Suva has been opened which is giving quite impressive results. The management is of the view to convert its Lautoka store to be of a high end supermarket in July 2014. The Nakasi store which is going to be a high-end supermarket modeled on IGA pattern will commence operations from late July 2014. These upgraded stores are expected to attract more customers by offering width and depth in product range besides unmatched customer services and also contribute in a major way to the Company's top line.

In addition to pursuing other investment and growth opportunities, the management continues to invest into systems and processes improvement measures together with skill up gradation of its human capital by continuing to hire experienced and professional expatriates, to optimize its operational efficiency so as to provide good returns to all stakeholders. 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.



NEWORLD LIMITED

Wase Ni Sea ena Kabani qo ka taukena Na FHL: 15.4%

A sotava na kabani ena loma ni yabaki e dua na cagilaba kei na kama ni sitoa. Na rua na leqa qo a vakaleqa vakalevu sara na bisinisi. A veitarai vakalevu na tubu ni sau ni yaya e vuravura, tara vakaca na bula vakailavo, ka vakavuna na tubu sivia ni sau ni bisinisi.

Baleta na veileqa qo kei na leqa e tarai keda a lutu na i lavo rawa ena veivoli ena 3.20% kei na tubu ni sa musuki na i vakacavacava e \$1.79m, a lutu e 31.30% mai na yabaki yani e liu. E ratou sa yavala na veiliutaki na lewai vakamatau ni lewai ni sau me rawa kina na tubu vinaka.

Sa nuidei na veiliutaki ni na rawa e dua na tubu vinaka ena volivolitaki kei na tubu ena FY14. Ena loma ni yabaki vakailavo FY14, a dola e dua tale na neitou sitoa ni volivolitaki levu e Suva ka sa uasivi na veika e rawa. Nanuma tiko veiliutaki me veisautaki na Sitoa mai Lautoka me dua na sitoa levu me dola ena Jiulai 2014.

E dua talega na sitoa ni volivolitaki levu ka tara ena IGA pattern ka na tekivu me volivolitaki ena Jiulai 2014. Na sitoa levu va qo ena drete mai e vuqa na dauvolivoli ka ni na volitaka e vuqa na i yaya maqa e Viti.

Na i kuri ni qarai eso tale na vakatubuilavo kei na tubu, e tomana tiko na veiliutaki me vakatubuilavo ena i vakarau kei na kila me tososi cake kina na tubu vei ira na taukei ni sea. Dua na i tuvatuva ena vica na yabaki sa oti, sa maroroi ira kina na veiliutaki ena New World me maroroya ka vakayagataka na dua na i wase ni tubu me vakayagataka ena vakatubuilavo kina cakacaka vou tale eso. Na vei tabana vou (project) sa nanumi ni na rawata vakalevu na tubu vei ira na taukei ni sea ena gauna mai muri. Sa na tomana tiko na veiliutaki na kedra vakayacori na i vakarau oya ena gauna e vinaka kina.



06 FIJIAN HOLDINGS UNIT TRUST

Fijian Holdings Shareholdings: 8.13%

FHUT performance to date has seen the fund distribute over \$19 million in dividend to unit holders and its portfolio has grown by over 457% since its inception.

FHUT recorded a dividend return of 5.32% and a positive capital growth return of 0.4%, resulting in a positive total return of 5.72%. This positive result was achieved despite the challenging economic condition, with scarce availability of good investments.

FHUT Fund under management as at 30 June 2014 was \$59.49million an increase of 30.70% from 2013. The growth in value was caused by robust sales and positive valuation of unlisted stocks with the appreciation in value of listed stocks.

FFML the Fund Manager has also reviewed minimum investment from 250 units to 100 units effective from January 2014. It simply means you can open an account for as little as 100 units now and you will also qualify to receive dividend in the next dividend distribution.

Moving forward, FFML will focus on developing innovative strategies for FHUT to alleviate the effect of the current challenging investment market conditions and continued softening of the interest rate market.



06 FIJIAN HOLDINGS UNIT TRUST

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

Na veiqaravi ni FHUT me yacova mai qo sa wasea oti e \$19 na milioni na tubu sa wasei vei ira na i taukei ni units ka sa tubu tikoğa na nona tabana sivia e 457% mai na kena tauyavutaki.

A rawata na FHUT na tubu me wasei e 5.32% kei na tubu ni lavo ni veiqaravi e 0.4%, ka rawata taucoko kina na tubu ena 5.72%. A rawa na tubu vinaka dina ға ni tu vakaleqa na i tutu ni lavo ka sega soti ni vinaka na vakatubuilavo.

Na i lavo e tu ena FHUT ena i ka 30 ni Jiune 2014 e \$59.45 na milioni ka tubu cake ena 30.70% mai na 2013. E vakavu na levu ni lavo e rawa mai na kaukauwa ni volivolitaki kei na vinaka ni fikataki vakailavo ni yaubula e sega ni na volai tu kei na vinaka ni sau ni kena era sa volai tu.

Sa raica tale vakavinaka na FFML na vakatubuilavo lailai taudua mai na 250 na units kina 100 na units me vakatekivu mai na Janueri ni 2014. Kena i balebale ni rawa mo ni dolava e dua na akaude ka kena levu e ra e 100 na units ena ғаuna qo ka rawa talega mo taura na tubu me wasei ena votai ni tubu me wasei ka tarava.

Ena sasaga ni toso ki liu, sa na wanonova na FFML na vakavinakataki ni tuvatuva ni FHUT me toroya sobu na leqa ni vakatubuilavo ena kena makete kei na malumalumu ni vakarau ni vakacavacava.



YEAR ENDED 30 JUNE 2014

FIJIAN HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

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DIRECTORS' REPORT

TUKUTUKU NI DAIREKITA

Year ended 30 June 2014

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 2014 as set out on pages 52 to 100 and the auditor's report thereon.

1. DIRECTORS

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

Iowane Naiveli - Chairman	Filimoni Waqabaca - resigned on 29 April 2014
Colonel Apakuki Kurusiga - Deputy Chairman (resigned 14 August 2014)	Viliame Gavoka - resigned on 25 June 2014
Padam Lala	Aseri Radrodro - resigned on 17 July 2014
Ulaiyasi Baya - resigned on 17 July 2014	Sakiusa Raivoce - appointed on 20 August 2013
Mere Samisoni - resigned on 30 July 2013	Ulai Taoi - appointed on 25 June 2014
Ratu Samuela Nawalowalo - resigned on 17 July 2014	Isikeli Tuituku - appointed on 25 July 2014
	Viliame Cegumalua - appointed on 25 July 2014

2. PRINCIPAL ACTIVITIES

The principal activity of the Company is investment. The principal activities of the Group are the production and sale of cement, concrete and concrete products, investment and rental of property, fund management, stock broking, asset and loan financing and acceptance of term deposits, provision of sea transportation services and boat charters, cruise ship operations, commercial free to air and subscription television broadcasting services, selling and servicing of radio, television and communications, retailing and wholesaling of general merchandise, and owners and administrators of properties. In the prior year, activities also included 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 2014 was \$8.338 million (2013: \$9.848 million) and for the Company was \$9.739 million (2013: \$9.396 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 (2013: \$1.046 million) for "A" class shareholders and \$2.000 million (2013: \$2.000 million) for "B" class shareholders during the year. The directors have not yet recommended the payment of a final dividend (2013: \$1.047 million) for "A" class shareholders and "B" class shareholders (2013: \$2.000 million) from the profits for the year ended 30 June 2014.

Total dividends paid and proposed for the year ended 30 June 2014 amounted to \$3.046 million (2013: \$6.093 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 DAIREKITA

Year ended 30 June 2014

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

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 (resigned 14 August 2014)	-	-	-	10,760,977
Viliame Gavoka (resigned 25 June 2014)	-	-	-	67,500
Ratu Samu Nawalowalo (resigned 17 July 2014)	-	-	-	10,000,000
Sakiusa Raivoce	-	100,000	-	-
Ulai Taoi	-	2,311	-	-
Isikeli Tuituku	-	-	-	6,711
Viliame Cegumalua	-	-	-	400,000

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 by authority of a resolution of the Directors.

Dated this 08th day of September 2014.


Chairperson


Director

STATEMENT BY DIRECTORS NODRATOU RAI NA DAIREKITA

Year ended 30 June 2014

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 2014,
- (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 2014,
- (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 2014,
- (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 2014,
- (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 08th day of September 2014.



Director



Director

INDEPENDENT AUDITORS 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 2014, 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 35.

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 2014, 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 30 June 2014 for a further six months to 31 December 2014.

Report on Other Legal and Regulatory Requirements

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

In our opinion,

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

8 September, 2014
Suva, Fiji



KPMG
Chartered Accountants

STATEMENTS OF COMPREHENSIVE INCOME

TUKUTUKU NI RAWA KA VAKAILAVO

Year ended 30 June 2014

	NOTES	GROUP		COMPANY	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Continuing operations			(Restated)		
Revenue					
Operating Revenue	34	262,717	217,170	17,646	17,987
Other	5(a)	8,877	12,717	1,813	1,357
		271,594	229,887	19,459	19,344
Expenses					
Cost of sales		(149,413)	(130,386)	-	-
Staff costs		(30,115)	(22,871)	(1,282)	(1,251)
Depreciation and amortisation	5(b)	(11,401)	(8,287)	(192)	(158)
(Provision) /reversal for diminution in value of investments		-	258	(1,164)	(3,461)
(Impairment loss) /reversal of property, plant & equipment		(1,500)	-	-	-
Provision for doubtful debts		(668)	(4,297)	(2,516)	(374)
Impairment loss on goodwill		(812)	-	-	-
Other operating expenses		(50,652)	(43,552)	(1,763)	(3,658)
		(244,561)	(209,135)	(6,917)	(8,902)
Operating profit		27,033	20,752	12,542	10,442
Net finance (expense)	6	(5,143)	(4,528)	(1,649)	(554)
Share of profit in associates (net of tax)	22	1,744	3,237	-	-
Profit before income tax	5	23,634	19,461	10,893	9,888
Income tax expense	7(a)	(8,312)	(5,425)	(1,154)	(492)
Profit from continuing operations		\$15,322	\$14,036	\$9,739	\$9,396
Discontinued operation					
Loss from discontinued operation, net of tax	8	(924)	(1,295)	-	-
Profit for the year after tax		\$14,398	\$12,741	\$9,739	\$9,396
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Net change in asset revaluation reserves	28	(7)	4,663	-	-
Tax on revaluation		-	(500)	-	-
Total items that will not be reclassified to profit or loss		(7)	4,163	-	-
Items that may be reclassified subsequently to profit or loss					
Net change in fair value of available-for-sale financial assets	28	1,056	(757)	(947)	15,489
Net change in foreign currency translation reserve	28	(3,865)	(1,665)	-	-
Total items that may be reclassified subsequently to profit or loss		(2,809)	(2,422)	(947)	15,489
Total other comprehensive income		(2,816)	1,741	(947)	15,489
Total comprehensive income for the year		11,582	14,482	8,792	24,885
Profit attributable to:					
Equity holders of the holding company		8,338	9,848		
Non-controlling interest		6,060	2,893		
		\$14,398	\$12,741		
Total comprehensive income attributable to:					
Equity holders of the holding company		6,955	11,589		
Non-controlling interest		4,627	2,893		
		\$11,582	\$14,482		
Basic and diluted earnings per share	30	\$0.27	\$0.32		
Basic and diluted earnings per share -continuing operations	30	\$0.30	\$0.37		

* Refer to Note 8

The notes on pages 57 to 100 are an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

TUKUTUKU NI YAU NI KABANI

As at 30 June 2014

	NOTES	GROUP		COMPANY	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
ASSETS					
Current assets					
Cash and cash equivalents	10(a)	37,501	48,843	162	9,149
Held-to-maturity investments	11	10	3,004	-	-
Loans, advances and receivables	12	77,519	64,855	29,217	25,427
Inventories	14	32,438	33,875	-	-
Assets held for sale	16	3,973	2,678	-	-
		151,441	153,255	29,379	34,576
Non-current assets					
Held-to-maturity investments	11	9,501	9,502	-	-
Loans, advances and receivables	12	55,090	68,913	-	4,535
Available-for-sale financial assets	19	19,651	18,595	210,928	210,838
Contract costs		2,233	-	-	-
Investments in associates	22	14,906	15,199	-	-
Investment properties	17	25,392	27,328	-	-
Property, plant and equipment	15	106,181	106,095	403	352
Deferred tax assets	7(c)	4,257	5,181	47	399
Intangible assets	18	70,212	71,718	-	-
		307,423	322,531	211,378	216,124
Total assets		458,864	475,786	240,757	250,700
LIABILITIES					
Current liabilities					
Payables	23	33,193	37,278	988	7,992
Borrowings	26	129,131	135,092	40,866	43,117
Provisions	25	1,070	1,667	-	-
Employee entitlements	24	1,732	2,069	358	213
Current tax liability	7(b)	2,779	273	465	80
		167,905	176,379	42,677	51,402
Non-current liabilities					
Borrowings	26	84,462	89,854	28,416	32,315
Employee entitlements	24	219	204	-	12
Deferred tax liabilities	7(c)	6,148	6,950	29	36
		90,829	97,008	28,445	32,363
Total liabilities		258,734	273,387	71,122	83,765
Net assets		\$200,130	\$202,399	\$169,635	\$166,935
SHAREHOLDERS EQUITY					
Share capital	27	30,465	30,465	30,465	30,465
Reserves	28	14,705	17,294	54,072	55,019
Proposed dividends		-	3,046	-	3,046
Retained earnings		109,576	104,284	85,098	78,405
Attributable to members of the holding company		154,746	155,089	169,635	166,935
Non-controlling interest		45,384	47,310	-	-
Total shareholders' equity		\$200,130	\$202,399	\$169,635	\$166,935

The notes on pages 57 to 100 are an integral part of these financial statements.

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

For and on behalf of the Board.



Director



Director

STATEMENTS OF CASH FLOWS

TUKUTUKU NI ILAVO QAQA

Year ended 30 June 2014

	NOTES	GROUP		COMPANY	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Cash flows from operating activities:					
Cash receipts from customers		265,323	243,636	-	-
Cash paid to suppliers and employees		(236,960)	(220,616)	(4,268)	(3,374)
Cash generated from/ (used in) operating activities		28,363	23,020	(4,268)	(3,374)
Dividends received		11,834	2,923	21,442	11,855
Management fees received		-	-	1,353	1,299
Management fees paid		(2,732)	(5,564)	-	-
Net customer loans granted		(2,684)	(10,818)	-	-
Net increase/ (decrease) in deposits		(2,914)	16,085	-	-
VAT paid		(8)	-	-	-
Interest received		15,840	16,663	1,847	2,388
Finance costs paid		(5,090)	(4,659)	(3,024)	(2,589)
Income taxes paid		(5,498)	(8,488)	(423)	(415)
Net cash from operating activities		37,111	29,162	16,927	9,164
Cash flows from investing activities:					
Acquisition of property, plant and equipment		(17,591)	(7,878)	(252)	(182)
Acquisition of other assets		(3,102)	-	-	-
Acquisition of investment property		(1,715)	(13,034)	-	-
Investment in held-to-maturity investment		(510)	(2,999)	-	-
Acquisition of subsidiary, net of cash acquired		(7,002)	(53,320)	(7,002)	(64,148)
Investment in available-for-sale investments		(871)	-	-	(1,261)
Loans granted		-	(5,737)	-	(5,736)
Loan repayments received		5,737	1,360	5,737	15,113
Proceeds from disposal of available-for sale investments		2,602	35,981	2,123	24,167
Proceeds from disposal of property, plant and equipment and assets held for sale		3,702	1,625	59	-
Proceeds from held-to-maturity investment		1,000	582	-	-
Proceeds from disposal of investment property		2,250	-	-	-
Acquisition of intangible assets		(23)	-	-	-
Net advances to subsidiaries		-	-	(14,335)	(4,000)
Net cash (used in) investing activities		(15,523)	(43,420)	(13,670)	(36,047)
Cash flows from financing activities:					
Dividends paid to the holding company's shareholders		(6,092)	(5,843)	(6,092)	(5,843)
Investment securities		2,001	-	-	-
Dividends paid to non-controlling interests		(4,080)	(5,517)	-	-
Loans (paid)/received		(20,311)	38,401	(10,549)	36,583
Net cash from/(used in) financing activities		(28,482)	(27,041)	(16,641)	30,740
Net increase in cash and cash equivalents		(6,894)	12,783	(13,385)	3,857
Cash and cash equivalents at the beginning of the year		29,897	17,730	9,149	5,292
Effect of exchange rate changes on cash		(2,577)	(616)	-	-
Cash and cash equivalents at the end of the year	10(a)	\$20,426	\$29,897	(\$4,236)	\$9,149

The notes on pages 57 to 100 are an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

TUKUTUKU NI VEISAU ENA AKAUDE NI TAUKEI NI KABANI

Year ended 30 June 2014

Group	Attributable to owners of the Company					Non-controlling Interests \$'000	Total Equity \$'000
	Share Capital \$'000	Other Reserves \$'000	Retained Earnings \$'000	Proposed Dividends \$'000	Total \$'000		
Balance at 30 June 2012	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
Balance at 30 June 2013	30,465	17,294	104,284	3,046	155,089	47,310	202,399
Total comprehensive income for the year							
Profit	-	-	8,338	-	8,338	6,060	14,398
Total other comprehensive income	-	(1,383)	-	-	(1,383)	(1,433)	(2,816)
Total comprehensive income for the year	-	(1,383)	8,338	-	6,955	4,627	11,582
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	-	-	-	-	-	-	-
Dividends paid to owners of the company	-	-	(3,046)	(3,046)	(6,092)	(3,909)	(10,001)
Decrease in non-controlling interest through acquisition	-	(1,206)	-	-	(1,206)	(2,644)	(3,850)
Total contributions by and distributions to owners of the Company	-	(1,206)	(3,046)	(3,046)	(7,298)	(6,553)	(13,851)
Balance at 30 June 2014	30,465	14,705	109,576	-	154,746	45,384	200,130

The notes on pages 57 to 100 are an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

TUKUTUKU NI VEISAU ENA AKAUDE NI TAUKEI NI KABANI

Year ended 30 June 2014

Company	Attributable to owners of the Company					Non-controlling Interests \$'000	Total Equity \$'000
	Share Capital \$'000	Other Reserves \$'000	Retained Earnings \$'000	Proposed Dividends \$'000	Total \$'000		
Balance at 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
Balance at 30 June 2013	30,465	55,019	78,405	3,046	166,935	-	166,935
Total comprehensive income for the year							
Profit	-	-	9,739	-	9,739	-	9,739
Total other comprehensive income/loss	-	(947)	-	-	(947)	-	(947)
Total comprehensive income for the year	-	(947)	9,739	-	8,792	-	8,792
Transactions with owners of the Company, recognised directly in equity							
Contributions by and distributions to owners of the Company							
Dividends paid to owners of the company	-	-	(3,046)	(3,046)	(6,092)	-	(6,092)
Total contributions by and distributions to owners of the Company	-	-	(3,046)	(3,046)	(6,092)	-	(6,092)
Total transactions with owners of the Company	-	-	(3,046)	(3,046)	(6,092)	-	(6,092)
Balance at 30 June 2014	30,465	54,072	85,098	-	169,635	-	169,635

The notes on pages 57 to 100 are an integral part of these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

VAKAMACALA KA LEWE TALEGA NI TUKUTUKU VAKAILAVO

Year ended 30 June 2014

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 2014 comprise the company and its subsidiaries (together referred to as "the Group" and individually as "group entities") and the group's interest in associates. The company and its subsidiaries are incorporated and domiciled in Fiji and Papua New Guinea.

The principal activity of the Company is investment. The principal activities of the Group are the production and sale of cement, concrete and concrete products, investment and rental of property, fund management, stock broking, asset and loan financing and acceptance of term deposits, provision of sea transportation services and boat charters, cruise ship operations, commercial free to air and subscription television broadcasting services, selling and servicing of radio, television and communications, retailing and wholesaling of general merchandise, and owners and administrators of properties. In the prior year, activities also included 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 08 September, 2014.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The Group has adopted the following new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 January 2013.

- IFRS 10 Consolidated Financial Statements (2011)
- IFRS 12 Disclosure of Interests in Other Entities
- IFRS 13 Fair Value Measurement

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

Statement of compliance

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

Renewal of broadcasting licence of Fiji Television Limited

Fiji Television Limited (FTL) a 61.6% owned subsidiary of the Company had a twelve year broadcast licence which expired on 30 June 2012 and was extended for a further four six month terms to 30 June 2014. On 17 June 2014, FTL was granted an extension of the broadcast licence for a further term of six months to 31 December 2014 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, therefore, an uncertainty regarding the future renewal of the licence prior to the expiry of the current extended term. See note 21.

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.

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

Year ended 30 June 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

2.1 Basis of accounting - continued

Despite the deficiency in net current assets of \$13,298,000 (2013: \$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 totalling \$15,500,000 available and an amount of \$13,810,000 is due to related parties which the directors believe is capable of being renegotiated as to payment date. The Company also has positive cash flows from operating activities.

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

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 2013 which are relevant to the Group, but the Group does not plan to early adopt them. The impact of these standards and interpretations on the financial statements of the Company and the Group has not yet been fully determined.

Standard/ Interpretation	Content	Applicable for financial years beginning on/after
IFRS 9 Amendment	Financial instruments: Classification and measurement	1 January 2015
	Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)	1 January 2014
	Investment entities (Amendments to IFRS 10, IFRS 12, and IAS 27)	1 January 2014
	Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36)	1 January 2014

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 12 – Provision for impairment
Note 15 – Property, plant and equipment impairment	Note 17 – Investment properties impairment
Note 18 – Intangible assets impairment	Note 19 – Available for sale financial assets

2.3 Principles of consolidation

(i) Subsidiaries

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

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

Year ended 30 June 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

2.3 Principles of consolidation – continued

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the 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.

(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) Interests in equity accounted investees

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

The group's share of its associates' post-acquisition profits or losses is recognised in the statement of comprehensive income, and its share of post-acquisition movements in reserves is recognised 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.

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

Year ended 30 June 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

2.5 Foreign operations

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

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

2.6 Segment information

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

The following summary describes the operations of each reportable segment.

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

2.7 Cash and cash equivalents

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

2.8 Financial assets

2.8.1 Classification

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

(a) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Assets in this category are classified as current assets.

(b) *Held-to-maturity investments*

Investments which management has the intent and ability to hold to maturity are classified as held-to-maturity and are carried at amortised cost.

(c) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

(d) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date, which are classified as non-current. The group's loans and receivables comprise 'loans, advances and receivables' in the balance sheet.

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

Year ended 30 June 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

2.8 Financial assets - continued

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.

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.

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

Year ended 30 June 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

2.9 Property, plant and equipment

(i) Owned assets

Items of property, plant and equipment are stated at cost and deemed cost less accumulated depreciation and impairment losses.

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

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	2.50% - 40%
- motor vehicles	15% - 33%
Vessels	3% - 33%

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

2.10 Investment properties

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

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

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

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

Year ended 30 June 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

2.11 Assets held for sale and discontinued operations

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

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

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

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

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

2.12 Inventories

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

2.13 Intangibles

(a) Goodwill

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

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

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

(b) Management rights

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

2.14 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and depreciation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount exceeds its recoverable amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Any impairment losses are recognised in the statements of 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.

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

Year ended 30 June 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

2.15 Trade and other creditors

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

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.

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.

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

Year ended 30 June 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

2.19 Leases - continued

A group company is the lessee -continued

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.

2.20 Revenue recognition

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

Sales of goods

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

Sales of services

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

Interest income

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

Dividend income

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

Rental income

Rental income is recognised when due. Rental income from investment property is recognised in the statements of 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.

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

Year ended 30 June 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

2.24 Functional and presentation currency

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

2.25 Comparative figures

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

2.26 Business combinations

Acquisition of FHL Media Limited (formerly Yasana Holdings Limited)

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

Acquisitions

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

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

Measuring goodwill

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

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

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

Non-controlling interest

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

Transaction costs

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

3. ACQUISITIONS OF SUBSIDIARY COMPANIES

During the financial year ended 30 June 2014 there were no acquisitions undertaken by the Group.

Acquisitions completed during the prior year are set out below.

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

Year ended 30 June 2014

3. ACQUISITIONS OF SUBSIDIARY COMPANIES – continued

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

Year ended 30 June 2014

3. ACQUISITIONS OF SUBSIDIARY COMPANIES – continued

3.1 Acquisition of subsidiary – South Sea Cruises Limited - continued

Goodwill

Goodwill was recognised as a result of the acquisition as follows:

	\$000
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 – FHL Media Limited (formerly Yasana Holdings Limited)

On 15 March 2013 the Group obtained control of FHL Media 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 FHL Media 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 FHL Media. The assets and liabilities were acquired at the book values of FHL Media 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

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

Year ended 30 June 2014

3. ACQUISITIONS OF SUBSIDIARY COMPANIES – 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 FHL Media 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)

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

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

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

Year ended 30 June 2014

4. FINANCIAL RISK MANAGEMENT – continued

4.1 Risk Management Framework - continued

(a) Market risk - continued

(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 Company's and Group's financial instruments are set out below:

Financial instrument	Group		Company	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Bank overdraft	17,075	18,946	4,398	-
Bank loans	85,959	99,209	51,074	61,932
Total	103,034	118,155	55,472	61,932

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

(b) Credit risk

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

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

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

Year ended 30 June 2014

4. FINANCIAL RISK MANAGEMENT – continued

4.1 Risk Management Framework - continued

(b) Credit risk - continued

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

Neither past due nor impaired
Past due but not impaired
Individually impaired
Gross loans and advances

Less: unearned revenue
Less: allowance for impairment
Net loans and advances

Neither past due nor impaired
Past due but not impaired
Individually impaired
Gross other receivables

Less: unearned revenue
Less: allowance for impairment
Net other receivables

Cash and cash equivalents
Held-to-maturity investments
Total

Group 2014 \$'000	Group 2013 \$'000
92,929	92,861
28,045	33,691
15,702	16,850
136,676	143,402
(30,367)	(31,998)
(5,069)	(6,081)
101,240	105,323
31,369	28,445
-	-
8,160	7,769
39,529	36,214
-	-
8,160	7,769
31,369	28,445
37,501	48,843
10	3,004
170,120	185,615

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

Details relating to the subsidiary, MFICL are set out below:

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

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

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

In order to manage credit risk, MFICL closely monitors existing customers in ensuring a debt service ratio greater than 1 and loan value ratio of 85% is maintained and ensuring that all new customers go through comprehensive credit screening including Data Bureau 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 with 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.

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

Year ended 30 June 2014

4. FINANCIAL RISK MANAGEMENT – continued

4.1 Risk Management Framework - continued

(b) Credit risk - continued

Longer-term finance and lending to corporate entities are generally secured. 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.

Credit risk concentration

The credit risk concentration for MFICL is as follows:

	2014		2013	
	Loans and advances (%)	Collective impairment allowance (%)	Loans and advances (%)	Collective impairment allowance (%)
Industry				
Agriculture	8.91	7.05	8.12	5.58
Building and construction	22.01	20.90	15.15	13.53
Manufacturing	4.89	3.26	5.84	4.22
Mining and quarrying	1.03	0.08	7.47	9.27
Private individuals	12.19	14.70	12.20	14.63
Professional and business services	2.16	1.89	2.73	2.57
Transport, communication and storage	31.07	34.99	28.28	31.12
Wholesale, retail, hotels and restaurants	7.20	8.51	10.43	11.26
Others	10.54	8.62	9.78	7.82
Total	100.00	100.00	100.00	100.00

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

(c) Liquidity risk

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

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

30 June 2014		Contractual cash flows				
Non- derivative financial liabilities	Carrying amount \$'000	Total \$'000	Up to 1 year \$'000	1-2 years \$'000	2-5 years \$'000	More than 5 years \$'000
Bank Overdrafts	17,075	(17,075)	(17,075)	-	-	-
Secured bank loans	85,959	(89,526)	(31,768)	(31,768)	(25,991)	-
Deposits from customers	100,735	(105,446)	(74,905)	(6,129)	(19,056)	(5,356)
Creditors and accruals	33,193	(33,193)	(33,193)	-	-	-
30 June 2013		Contractual cash flows				
Non- derivative financial liabilities	Carrying amount \$'000	Total \$'000	Up to 1 year \$'000	1-2 years \$'000	2-5 years \$'000	More than 5 years \$'000
Bank Overdrafts	18,946	(18,946)	(18,946)	-	-	-
Secured bank loans	99,209	(103,673)	(40,575)	(40,575)	(22,523)	-
Deposits from customers	77,318	(108,772)	(76,365)	(5,832)	(18,200)	(8,375)
Creditors and accruals	37,278	(37,278)	(37,278)	-	-	-

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

Year ended 30 June 2014

4. FINANCIAL RISK MANAGEMENT – continued

4.1 Risk Management Framework - continued

(c) Liquidity risk – continued

Additional details relating to the subsidiary, MFICL are set out below:

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 Asset and Liability Committee (ALCO) is kept informed.

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

	Less than 1 month	1 to <3 months	3 to <6 months	6 to <12 months	Over 12 months
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 ratios are 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

Year ended 30 June 2014

4. FINANCIAL RISK MANAGEMENT – continued

4.2 Capital risk management - continued

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

	2014 \$'000	2013 \$'000
Total Borrowings (Note 24)	213,593	224,946
Less: Cash and cash equivalents (Note 8)	20,426	29,897
Net debt	193,167	195,049
Total capital	200,130	202,399
Gearing ratio	96%	96%

Additional details relating to the subsidiary, MFICL are set out below:

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

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

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

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

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.

5. PROFIT

The profit before income tax has been determined after:

(a) Crediting as other income

Dividends received
- other companies
Net gain on disposal of property, plant and equipment and assets held for sale
Management fees
Gain on disposal of investments
Rental income
Other income

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Dividends received - other companies	15	337	-	-
Net gain on disposal of property, plant and equipment and assets held for sale	890	788	59	-
Management fees	662	1,999	-	-
Gain on disposal of investments	1,199	3,715	1,027	-
Rental income	1,783	161	-	-
Other income	4,328	5,717	727	1,357
	8,877	12,717	1,813	1,357

In the financial statements of the Company, dividends received from subsidiary and other companies amounting to \$16,328,000 (2013: \$16,746,000) are treated as part of operating revenue. See note 20 for further details.

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

Year ended 30 June 2014

5. PROFIT – continued

(b) Charging as expense

Auditors' remuneration:
- audit fees - KPMG
- other auditors
- other services - KPMG
- other auditors
Bad debts
Directors' emoluments
- for services as directors
- for other services
Depreciation and amortisation
Provision for impairment/write-off of inventories
Provision for impairment of property, plant and equipment
Allowance for doubtful debts
Capital loss on sale of subsidiary

6. NET FINANCE (EXPENSE)/INCOME

Interest income
Exchange loss
Interest expense

Net finance (expense)/income

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Auditors' remuneration: - audit fees - KPMG	219	281	35	14
- other auditors	75	93	-	-
- other services - KPMG	24	18	20	18
- other auditors	124	62	-	-
Bad debts	2,042	2,360	-	-
Directors' emoluments - for services as directors	563	601	231	220
- for other services	65	121	65	101
Depreciation and amortisation	11,401	8,799	192	158
Provision for impairment/write-off of inventories	516	488	-	-
Provision for impairment of property, plant and equipment	1,500	-	-	-
Allowance for doubtful debts	668	2,171	2,516	374
Capital loss on sale of subsidiary	-	2	-	516
Interest income	222	1,618	1,376	2,467
Exchange loss	(190)	(40)	-	-
Interest expense	(5,175)	(6,106)	(3,025)	(3,021)
Net finance (expense)/income	(5,143)	(4,528)	(1,649)	(554)

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

Year ended 30 June 2014

7. INCOME TAX

(a) Income tax expense

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

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Profit before income tax	22,710	18,166	10,893	9,888
Prima facie tax payable at 18.5% (2013: 20%)	4,201	3,633	2,014	1,978
<u>Add/(deduct):</u>				
Impact of difference in tax rate	860	(125)	-	-
Dividends received	(214)	(230)	(3,022)	(3,349)
Withholding tax on exempt dividend income	-	315	-	315
Exempt income	(190)	-	(190)	-
Other permanent differences	3,051	978	2,086	1,736
Capital gains/(loss)	(98)	(103)	-	(103)
Impact of equity accounted profit	(322)	(647)	-	-
Movement in timing differences	-	68	-	(6)
Reversal of tax losses and timing differences not previously brought to account	351	837	329	-
Tax effect of tax losses and temporary differences not brought to account	1,476	643	-	-
Effect of changes in tax rate	(794)	(158)	16	(29)
(Over) / Under provision in prior year	(9)	214	(79)	(50)
Income tax expense attributable to profit	\$8,312	\$5,425	\$1,154	\$492
Total income tax expense is made up of:				
Current income tax expense	8,181	5,199	888	443
Withholding tax on exempt dividend income	-	315	-	315
Deferred tax	122	(170)	345	(216)
Under/(Over) provision in prior years	9	81	(79)	(50)
Income tax expense attributable to profit	\$8,312	\$5,425	\$1,154	\$492
(b) Current tax liability/(asset)				
Balance at beginning of year	273	1,346	80	(213)
Income tax paid	(5,331)	(8,488)	(423)	(415)
Current year's income tax expense	8,181	5,514	888	758
Transfer of balance from VAT account	(335)	1,834	-	(850)
Under/(over) provision in prior years	(9)	67	(80)	(50)
Balance at end of year	\$2,779	\$273	\$465	\$80

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

Year ended 30 June 2014

7. INCOME TAX - Continued

(c) Deferred tax assets and liabilities

Deferred tax assets

Property, plant & equipment	321	34	-	-
Annual leave	272	240	17	14
Doubtful debts	2,230	2,957	30	385
Inventory provisions	253	148	-	-
Others	74	-	-	-
Unrealised foreign exchange gain	5	8	-	-
Tax losses	1,102	1,794	-	-
	4,257	5,181	47	399

Deferred tax liabilities

Property, plant & equipment	(5,173)	(5,975)	(29)	(36)
Cyclone reserve deposit	(98)	(98)	-	-
Fair value on revaluation	(877)	(877)	-	-
	(6,148)	(6,950)	(29)	(36)

As at 30 June 2014, Group companies had unrecouped income tax losses of approximately \$6.1 million (2013: \$6.6 million) available to offset against future years' taxable income. The benefit at 20% (2013: 20%) tax rate amounting to approximately \$1.2 million (2013: \$1.3 million) has not been brought to account as realisation is not considered to be probable.

The benefit will only be obtained if:

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

Movement in temporary differences during the year

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

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

Year ended 30 June 2014

7. INCOME TAX - Continued

(c) Deferred tax assets and liabilities

Group	1 July 2012 \$'000	Acquired on business combination \$'000	Recognised in income statement \$'000	Recognised in equity \$'000	30 June 2013 \$'000
<i>Deferred tax assets</i>					
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
<i>Deferred tax liabilities</i>					
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)

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

Company	1 July 2012 \$'000	Recognised in income statement \$'000	30 June 2013 \$'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)

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

Year ended 30 June 2014

8. Discontinued Operation

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

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

	2014 \$'000	2013 \$'000
a) Results of discontinued operation		
Revenue	1,542	3,498
Expenses	(2,470)	(4,793)
Results from operating activities	(928)	(1,295)
Income tax	-	-
Loss for the year	(928)	(1,295)
Others	4	-
Loss for the year	(924)	(1,295)
b) Cash flows from (used in) discontinued operations		
Net cash used in operating activities	(694)	(591)
Net cash used in financing activities	1,131	273
Net cash used in investing activities	294	320
Net cash flow for the year	731	2

There was no impact on the financial position of the Group, given the wind down of the operation.

9. DIVIDENDS PROPOSED OR PAID

Ordinary - A class

Interim dividend paid at 10 cents
(2013: 10 cents)
Proposed final dividend at 10 cents
(2013: 10 cents)

Ordinary - B class

Interim dividend paid at 10 cents
(2013: 10 cents)
Proposed final dividend 10 cents
(2013: 10 cents)

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Interim dividend paid at 10 cents (2013: 10 cents)	1,046	1,046	1,046	1,046
Proposed final dividend at 10 cents (2013: 10 cents)	-	1,046	-	1,046
	1,046	2,092	1,046	2,092
Interim dividend paid at 10 cents (2013: 10 cents)	2,000	2,000	2,000	2,000
Proposed final dividend 10 cents (2013: 10 cents)	-	2,000	-	2,000
	2,000	4,000	2,000	4,000
	\$3,046	\$6,092	\$3,046	\$6,092

10. CASH AND CASH EQUIVALENTS

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

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Cash on hand and at bank	21,933	38,843	162	9,149
Term deposits	15,568	10,000	-	-
	37,501	48,843	162	9,149
Bank overdrafts (Note 26)	(17,075)	(18,946)	(4,398)	-
	\$20,426	\$29,897	(\$4,236)	\$9,149

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

Year ended 30 June 2014

10. CASH AND CASH EQUIVALENTS - continued

b) Financing facilities

Facilities available to the Group are bank overdrafts and revolving term loans. Financing facilities of \$31.20 million were available to the Group as at 30 June 2014 (2013: \$26.20 million) of which \$15.69 million (2013: \$22.69 million) was utilised. See also note 25.

11. HELD-TO-MATURITY INVESTMENTS

Current

Deposits with financial institutions

Non-current

Securities

- Government securities
- Deposits with financial institutions
Add: Unamortised premium

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Deposits with financial institutions	\$10	\$3,004	\$-	\$-
Securities				
- Government securities	9,501	9,500	-	-
- Deposits with financial institutions	-	-	-	-
Add: Unamortised premium	-	2	-	-
	9,501	9,502	-	-
	\$9,511	\$12,506	\$-	\$-

Term deposits held with financial institutions attract interest rates ranging from 1.75% to 8% (2013: 1.75% to 8%) per annum. The term deposits will mature on various dates in the next financial year.

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

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

12. LOANS, ADVANCES AND RECEIVABLES

Current

Trade receivables
Provision for impaired receivables

Net loans and advances - third parties (Note 13)

- related parties

Other receivables

- related parties

Provision for impaired receivables

Non-current

Net loans and advances - third parties (Note 13)

- related parties

Other receivables

Provisions for impairment

Balance at the beginning of the year

Additional provisions made

Reversal of provisions

Balance at the end of the year

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Trade receivables	25,223	27,103	-	-
Provision for impaired receivables	(6,473)	(7,415)	-	-
	18,750	19,688	-	-
Net loans and advances - third parties (Note 13)	46,255	36,430	-	1,202
- related parties	-	-	17,228	19,758
Other receivables	14,201	9,091	825	437
- related parties	-	-	13,980	7,062
Provision for impaired receivables	(1,687)	(354)	(2,816)	(3,032)
	\$77,519	\$64,855	\$29,217	\$25,427
Net loans and advances - third parties (Note 13)	54,985	68,893	-	4,535
- related parties	-	-	-	-
Other receivables	105	20	-	-
	\$55,090	\$68,913	\$-	\$4,535
Balance at the beginning of the year	7,769	3,385	3,032	4,006
Additional provisions made	600	4,384	2,516	374
Reversal of provisions	(209)	-	(2,732)	(1,348)
Balance at the end of the year	\$8,160	\$7,769	\$2,816	\$3,032

Related party loans and advances are unsecured.

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

Year ended 30 June 2014

13. LOANS AND ADVANCES

Gross term receivables

Unearned income

Individually assessed allowance

Collective allowance

Maturity analysis

Not longer than 3 months

Longer than 3 and not longer than 12 months

Unearned income

Individually assessed allowance

Collective allowance

Current (Note 12)

Longer than 1 year and not longer than 5 years

Longer than 5 years

Unearned income

Individually assessed allowance

Collective allowance

Non-current (Note 12)

Impairment of loans and advances

Balance at the beginning of the year

Increase/ (decrease) in impairment allowances

Reversals of impairment

Balance at the end of the year

14. INVENTORIES

Raw materials, spares, stores and supplies

Finished goods

Goods in transit

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Gross term receivables	136,676	143,402	-	5,737
Unearned income	(30,367)	(31,998)	-	-
	106,309	111,404	-	5,737
Individually assessed allowance	(2,967)	(4,017)	-	-
Collective allowance	(2,102)	(2,064)	-	-
	\$101,240	\$105,323	\$-	\$5,737
Not longer than 3 months	13,305	13,307	-	291
Longer than 3 and not longer than 12 months	34,633	36,680	-	911
	47,938	49,987	-	1,202
Unearned income	(1,243)	(12,623)	-	-
Individually assessed allowance	(336)	-	-	-
Collective allowance	(104)	(934)	-	-
Current (Note 12)	46,255	36,430	-	1,202
Longer than 1 year and not longer than 5 years	76,335	85,604	-	4,535
Longer than 5 years	12,403	7,811	-	-
	88,738	93,415	-	4,535
Unearned income	(29,124)	(19,375)	-	-
Individually assessed allowance	(2,631)	(4,017)	-	-
Collective allowance	(1,998)	(1,130)	-	-
Non-current (Note 12)	54,985	68,893	-	4,535
	\$101,240	\$105,323	\$-	\$5,737

	2014 \$'000		2013 \$'000	
	Individual allowance for impairment	Collective allowance for impairment	Individual allowance for impairment	Collective allowance for impairment
Balance at the beginning of the year	4,017	2,064	4,548	1,607
Increase/ (decrease) in impairment allowances	709	38	1,172	457
Reversals of impairment	(1,759)	-	(1,703)	-
Balance at the end of the year	2,967	2,102	4,017	2,064

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Raw materials, spares, stores and supplies	14,717	13,021	-	-
Finished goods	16,543	16,401	-	-
Goods in transit	1,178	4,453	-	-
	\$32,438	\$33,875	\$-	\$-

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

Year ended 30 June 2014

15. PROPERTY, PLANT AND EQUIPMENT

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

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Freehold land and improvements - at cost/ deemed cost	7,667	7,667	-	-
Island properties - at directors' valuation	8,000	8,000	-	-
Leasehold land, improvements and buildings at cost/ deemed cost	34,009	32,597	-	-
Accumulated depreciation	(6,181)	(5,654)	-	-
	27,828	26,943	-	-
Plant and equipment - at cost/ deemed cost	153,813	159,157	1,217	1,144
Accumulated depreciation	(100,794)	(99,260)	(814)	(792)
Allowance for impairment	(1,500)	(156)	-	-
	51,519	59,741	403	352
Capital works in progress - at cost	11,167	3,825	-	-
Allowance for impairment	-	(81)	-	-
	11,167	3,744	-	-
	\$106,181	\$106,095	\$403	\$352

(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 2013	7,667	8,000	26,943	59,741	3,744	106,095
Transfer to assets held for sale	-	-	-	(3,523)	-	(3,523)
Additions	-	-	1,456	6,871	9,264	17,591
Disposals	-	-	(50)	(1,183)	(21)	(1,254)
Transfer to/(from) capital work in progress	-	-	76	2,523	(1,742)	857
Reversal/ (impairment loss)	-	-	-	(1,344)	(101)	(1,445)
Effects of movements in exchange rate	-	-	-	(1,379)	-	(1,379)
Depreciation/ amortisation	-	-	(597)	(10,164)	-	(10,761)
Carrying amount at 30 June 2014	7,667	8,000	27,828	51,542	11,144	106,181

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

Year ended 30 June 2014

15. PROPERTY, PLANT AND EQUIPMENT – Continued

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

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

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

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

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

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

Year ended 30 June 2014

15. PROPERTY, PLANT AND EQUIPMENT – Continued

- (e) During the year, Blue lagoon Cruises Limited reviewed, subsequent to the refurbishment of Fiji Princess, the depreciation rate being applied to the vessel. Management previously intended to use the vessel for 20 years with a nil residual value however after the review, the vessel is now expected to be used for 10 years and has a residual value of \$2,000,000. The impact of this on the depreciation charge for the year amounts to \$128,000.
- (f) Refer to note 25 for items charged as securities.

16. ASSETS HELD FOR SALE

Assets classified as Held for Sale consist of a vessel owned by Blue Lagoon Cruises Limited and a parcel of land held by Merchant Finance & Investment Company Limited. The Reserve Bank of Fiji has provided Merchant Finance & Investment Company Limited until 13 November 2014 to dispose of these properties.

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Assets held for sale	\$3,973	\$2,678	\$-	\$-

17. INVESTMENT PROPERTIES

Cost

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Opening balance	29,115	27,138	-	-
Acquisitions	-	1,977	-	-
Disposals	(1,673)	-	-	-
Closing balance	27,442	29,115	-	-

Accumulated depreciation

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Opening balance	1,787	1,474	-	-
Depreciation charge for the year	325	313	-	-
Disposals	(62)	-	-	-
Closing balance	2,050	1,787	-	-

Carrying amount

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Opening balance	\$27,328	\$25,664	\$-	\$-
Closing balance	\$25,392	\$27,328	\$-	\$-

Investment properties are stated at cost less accumulated depreciation.

As at 30 June 2014, the fair value of the investment properties held by FHL Properties Limited was \$30.980 million (2013: \$30.770 million) which is based on valuations carried out by independent valuers, Rolle Associates in their reports dated 31 March 2014.

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

18. INTANGIBLES

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Goodwill on consolidation	63,632	63,854	-	-
Provision for impairment on goodwill	(812)	-	-	-
Management rights	7,378	7,839	-	-
Software	14	25	-	-
F1 Audio Visual Copyright	1,151	1,151	-	-
Provision for impairment	(1,151)	(1,151)	-	-
Total intangibles	\$70,212	\$71,718	\$-	\$-

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

Year ended 30 June 2014

18. INTANGIBLES – Continued

Movements during the year are as follows:

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Opening net book amount	71,718	20,946	-	-
Additions	-	51,233	-	-
Effect of movement in exchange rate	(222)	-	-	-
Impairment of goodwill	(812)	-	-	-
Amortisation charge on software	(11)	-	-	-
Amortisation of management rights	(461)	(461)	-	-
Total intangibles	\$70,212	\$71,718	\$-	\$-

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.

Impairment test for management rights

Management rights 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 15 years (renewed in April 2014) 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 2015. Cashflows beyond the June 2015 period are extrapolated using the estimated growth rates in the underlying business.

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

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 rights.

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

Impairment test for goodwill – South Sea Cruises Limited

The recoverable amount of this CGU was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU's assets. The carrying amount of the CGU in 2014 was determined to be higher than its recoverable amount and an impairment loss of \$812,000 was recognised. The impairment loss was fully allocated to goodwill and included in profit and loss.

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

	2014 In percent
Discount rate	14.0
Terminal value growth rate	2.5
Budgeted EBITDA growth rate (average of next five years)	8.1

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

Year ended 30 June 2014

18. INTANGIBLES – Continued

Impairment test for goodwill on consolidation – South Sea Cruises Limited - continued

The discount rate was a pre-tax measure estimated based on the historical industry average weighted-average cost of capital, with a possible debt leveraging of 40% at a market interest rate of 5%.

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

Budgeted EBITDA was based on expectations of future outcomes taking into account past experience, adjusted for the anticipated revenue growth. Revenue growth was projected taking into account the average growth levels experienced over the past five years and the estimated sales volume and price growth for the next five years. It was assumed that sales prices would not increase over the next five years.

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

	2014	
	In percent	(\$'000)
Discount rate	1.0	6,196
Budgeted EBITDA growth rate	(0.5)	1,891

Impairment test for goodwill – Fiji Television Limited

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

Management value the investment in Fiji Television Ltd at fair value which is significantly above cost and therefore have concluded that goodwill is not impaired.

19. AVAILABLE-FOR-SALE FINANCIAL ASSETS

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

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
(a) Listed/quoted securities				
- Amalgamated Telecom Holdings Ltd	2,628	2,566	-	-
- Fiji Television Ltd	-	-	-	1,505
- Fijian Holdings Unit Trust	5,096	4,824	5,093	4,822
- Pacific Green Industries Ltd	2,077	2,078	-	-
- RB Patel Group Limited	2,110	2,087	-	-
- Fiji Care Insurance	106	89	-	-
- Kontiki Growth Fund	58	58	-	-
- Communications (Fiji) Ltd	2	1	-	-
- Flour Mills of Fiji Ltd	623	532	623	532
	12,700	12,235	5,716	6,859
(b) Unlisted securities				
Shares in subsidiary companies				
- Basic Industries Ltd	-	-	7,500	7,500
- Blue Lagoon Cruises Holdings Ltd	-	-	-	-
- South Sea Cruises Limited	-	-	55,500	62,570
- Basic Industries (PNG) Ltd	-	-	1,832	1,832
- FHL Media Limited	-	-	25,597	24,000
- FHL Logistics Ltd	-	-	-	-
- FHL Retailing Ltd	-	-	28,441	27,053
- FHL Stockbrokers Limited	-	-	585	510

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

Year ended 30 June 2014

19. AVAILABLE-FOR-SALE FINANCIAL ASSETS – continued

(b) Unlisted securities - continued

Shares in subsidiary companies - continued

- Pacific Cements Limited
- FHL Fund Management Ltd
- FHL Properties Limited
- Merchant Finance & Investment Company Ltd

Shares in other companies

- Goodman Fielder International (Fiji) Ltd
- Golden Manufacturers Ltd (Note 20)
- Marsh Ltd (Note 20)
- New World Ltd
- South Pacific Stock Exchange
- Fiji Gas Company Ltd
- Asian Paints (South Pacific) Ltd

- Other

Total investments

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

- Current
- Non Current

Total investments

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
- Pacific Cements Limited	-	-	5,500	7,690
- FHL Fund Management Ltd	-	-	981	540
- FHL Properties Limited	-	-	17,984	15,600
- Merchant Finance & Investment Company Ltd	-	-	36,320	34,720
	-	-	180,240	182,015
- Goodman Fielder International (Fiji) Ltd	2,200	2,200	2,200	2,200
- Golden Manufacturers Ltd (Note 20)	-	-	15,000	13,018
- Marsh Ltd (Note 20)	-	-	3,750	3,200
- New World Ltd	2,495	2,495	2,495	2,495
- South Pacific Stock Exchange	15	15	-	-
- Fiji Gas Company Ltd	659	559	-	-
- Asian Paints (South Pacific) Ltd	1,527	1,051	1,527	1,051
	6,896	6,320	24,972	21,964
- Other	55	40	-	-
Total investments	\$19,651	\$18,595	\$210,928	\$210,838
Current	-	-	-	-
Non Current	19,651	18,595	210,928	210,838
Total investments	\$19,651	\$18,595	\$210,928	\$210,838

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

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

Year ended 30 June 2014

19. AVAILABLE- FOR- SALE FINANCIAL ASSETS – continued

(c) Valuation of financial instruments - continued

30 June 2014	Carrying amount					Fair value			
	Held-to-maturity	Loans and receivables	Available-for-sale	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
\$'000									
Financial assets measured at fair value									
Local listed equities	-	-	12,700	-	12,700	12,700	-	-	12,700
Unlisted equities	-	-	6,896	-	6,896	-	-	6,896	6,896
Other equities	-	-	55	-	55	-	-	55	55
	-	-	19,651	-	19,651				
Financial assets not measured at fair value									
Loans, advances and receivables	-	132,591	-	-	132,591				
Cash and cash equivalents	-	37,501	-	-	37,501				
Term deposits with financial institutions	10	-	-	-	10				
Government Bonds	9,501	-	-	-	9,501				
	9,511	170,092	-	-	179,603				
Financial Liabilities not measured at fair value									
Bank overdraft	-	-	-	(17,075)	(17,075)				
Secured bank loans	-	-	-	(85,959)	(85,959)				
Unsecured bank loans	-	-	-	(110,559)	(110,559)				
Trade payables	-	-	-	(33,190)	(33,190)				
	-	-	-	(246,783)	(246,783)				

30 June 2013	Carrying amount					Fair value			
	Held-to-maturity	Loans and receivables	Available-for-sale	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
\$'000									
Financial assets measured at fair value									
Local listed equities	-	-	12,235	-	12,235	12,235	-	-	12,235
Unlisted equities	-	-	6,320	-	6,320	-	-	6,320	6,320
Other equities	-	-	40	-	40	-	-	40	40
	-	-	18,595	-	18,595				
Financial assets not measured at fair value									
Loans, advances and receivables	-	133,768	-	-	133,768				
Cash and cash equivalents	-	48,843	-	-	48,843				
Term deposits with financial institutions	3,004	-	-	-	3,004				
Government Bonds	9,502	-	-	-	9,502				
	12,506	182,611	-	-	195,117				
Financial Liabilities not measured at fair value									
Bank overdraft	-	-	-	(18,946)	(18,946)				
Secured bank loans	-	-	-	(69,209)	(69,209)				
Unsecured bank loans	-	-	-	(106,791)	(106,791)				
Trade payables	-	-	-	(37,278)	(37,278)				
	-	-	-	(232,224)	(232,224)				

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

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

Year ended 30 June 2014

19. AVAILABLE- FOR- SALE FINANCIAL ASSETS – continued

(c) Valuation of financial instruments - continued

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

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Equity securities	<i>Dividends capitalisation technique:</i> The valuation model is based on the future maintainable dividends and capitalisation rates.	- Capitalisation rates - Forecast dividend yield	The estimated fair value would increase/(decrease) if any of the significant unobservable inputs were changed. Generally, a change in the annual growth rate is accompanied by directionally similar change in future maintainable dividends.

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

During the financial year ended 30 June 2014, there were no transfers in and out of fair value hierarchy levels mentioned above. There are no material movements between the opening and closing balances in Level 3 of the fair value hierarchy.

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

	\$'000
Balance at 1 July 2012	5,343
Gain included in OCI	
- Net change in fair value	1,017
Balance at 30 June 2013	6,360
Balance at 1 July 2013	6,360
Gain included in OCI	
- Net change in fair value	592
Balance at 30 June 2014	6,952

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

	OCI, net of tax	
	Increase \$'000	Decrease \$'000
Capitalisation rates	(566)	566
Forecast dividend yield	622	(622)

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

Year ended 30 June 2014

20. DETAILS OF INVESTMENTS

Name of Company	Place of incorporation/ principal country of operation	Ownership interest		Dividends received by Company	
		2014 %	2013 %	2014 %	2013 %
(a) Listed/quoted securities					
Amalgamated Telecom Holdings Ltd	Fiji	-	-	-	35
Fiji Television Ltd	Fiji	-	5.5	-	88
Fijian Holdings Unit Trust	Fiji	25.2	25.2	262	227
Flour Mills of Fiji Ltd	Fiji	4.3	4.3	16	13
				278	363
(b) Unlisted securities					
Subsidiary companies:					
Basic Industries Ltd	Fiji	51.01	51.01	-	143
South Sea Cruises Ltd	Fiji	100.0	100.0	1,700	2,500
Blue Lagoon Cruises Holdings Ltd	Fiji	-	-	-	-
FHL Logistics Ltd	Fiji	100.0	100.0	-	-
FHL Retailing Ltd	Fiji	100.0	100.0	2,233	2,100
FHL Stockbrokers Ltd	Fiji	100.0	100.0	40	-
Pacific Cement Limited	Fiji	50.1	50.1	-	410
FHL Fund Management Limited	Fiji	100.0	100.0	300	210
FHL Properties Ltd	Fiji	100.0	100.0	500	2,301
FHL Media Limited	Fiji	100.0	100.0	1,283	2,000
Basic Industries (PNG) Limited	PNG	100.0	100.0	-	-
Merchant Finance & Investment Company Ltd	Fiji	80.0	80.0	7,360	3,920
				13,416	13,584
(c) Other companies					
Asian Paints (South Pacific) Ltd	Fiji	8.9	8.9	257	213
Goodman Fielder International (Fiji) Ltd	Fiji	10.0	10.0	176	176
Golden Manufacturers Ltd	Fiji	30.0	30.0	1,500	2,100
Marsh Ltd	Fiji	25.0	25.0	537	163
New World Ltd	Fiji	15.4	15.4	164	232
				2,634	2,799
				\$16,328	\$16,746

(i) The names of the following companies were changed during the year;

- Pacific Cement Limited (formerly Fiji Industries Limited)
- FHL Media Limited (formerly Yasana Holdings Limited)
- FHL Fund Management Limited (formerly Fijian Holdings Trust Management Limited)
- Basic Industries (PNG) Limited (formerly Pasifika Holdings Limited)

21. NON-CONTROLLING INTERESTS

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

The table set out below shows the interest that non-controlling interests have in each subsidiary that is material to the reporting entity. As permitted under IFRS 12, Disclosure of Interests in Other Entities, comparative figures have not been shown.

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

Year ended 30 June 2014

21. NON-CONTROLLING INTERESTS - continued

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

22. INVESTMENT IN ASSOCIATES

The Group's share of profit after tax in its equity accounted investees for the year was \$1.744 million (2013: \$3.237 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 2014:

	Assets \$'000	Liabilities \$'000	Revenue \$'000	Expenses \$'000	Profit/ Loss \$'000
2014	54,984	33,088	52,289	45,952	6,337
2013	49,114	26,391	47,689	36,607	11,082

Reconciliation of the carrying value of investment in associates:

	GROUP	
	2014 \$'000	2013 \$'000
Opening balance	15,199	14,225
Equity accounted earnings of associates (net of tax)	1,744	3,237
Dividends from associates (Note 19c)	(2,037)	(2,263)
Closing balance	\$14,906	\$15,199

23. PAYABLES

Trade creditors
Accruals and other creditors

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Trade creditors	16,029	16,365	-	-
Accruals and other creditors	17,164	20,913	988	7,992
	\$33,193	\$37,278	\$988	\$7,992

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

Year ended 30 June 2014

24. EMPLOYEE ENTITLEMENTS

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Current				
Annual leave	1,335	1,738	172	78
Bonus and gratuity	397	331	186	135
	1,732	2,069	358	213
Non-current				
Gratuity	18	25	-	12
Long service leave	201	179	-	-
	219	204	-	12
	1,951	2,273	358	225

25. PROVISIONS

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Dividends	1,070	1,667	-	-

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

26. BORROWINGS

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Current				
Bank overdrafts				
Secured (Note 10)	17,075	18,946	4,398	-
Term loans				
Secured	30,502	38,828	22,658	29,617
Fixed term deposits and short term borrowings (Unsecured)	81,554	77,318	13,810	13,500
	\$129,131	\$135,092	\$40,866	\$43,117
Non-current				
Term loans				
Secured	55,457	60,381	28,416	32,315
Fixed term deposits and short term borrowings (Unsecured)	29,005	29,473	-	-
	\$84,462	\$89,854	\$28,416	\$32,315
TOTAL	\$213,593	\$224,946	\$69,282	\$75,432

- (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 \$7 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

Year ended 30 June 2014

26. BORROWINGS - continued

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

- Fijian Holdings Limited – the loan with ANZ Bank is secured by Scrip Lien over shares in FHL Media 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.
- 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).
- Pacific Cement Ltd: \$1.611 million – the loan with ANZ Bank is secured by a first registered mortgage debenture over all the company's assets and undertakings.
- Basic Industries Ltd: \$0.854 million – the loan with ANZ Bank is secured by a first registered mortgage debenture over all the assets and undertakings of the company including its uncalled and unpaid capital, and a letter of comfort provided by FHL acknowledging the additional facility being provided to the company and undertaking to provide tangible support and guarantee in the event that the company is not able to meet its obligations under the performance bonds issued by ANZ.
- RB Patel Group Ltd: \$17.074 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 \$7 million each.
- South Sea Cruises Ltd: \$15.225 million – the loan with ANZ Bank is secured by a first registered mortgage debenture over all the assets and undertakings of the Company and Blue Lagoon Cruises Limited (this is a fixed and floating charge over all present and future assets, undertakings (including goodwill) and unpaid/ uncalled capital of the Company), first registered ships mortgage over MV Tiger IV, MV Seaspray, MV Dau Sara Cakau, MV Yasawa Flyer II, MV Cheetah, MV Ocean Dreaming, and Fiji Princess and Mystique Princess belonging to Blue Lagoon Cruises Limited, master finance lease agreement between ANZ and the Company, cross guarantee between the Company, Blue Lagoon Cruises Limited and Blue Lagoon Cruises Holdings Limited, and first registered land mortgage over certificate of title number 1248, being land comprising Nanuya Island.

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

27. SHARE CAPITAL

Authorised

20,000,000 'A' class ordinary shares of \$1 each
20,000,000 'B' class ordinary shares of \$1 each

Issued and fully paid

10,464,650 'A' class ordinary shares of \$1 each
20,000,000 'B' class ordinary shares of \$1 each

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'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.

28. 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.

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

Year ended 30 June 2014

28. RESERVES - continued

Credit loss reserve

The Credit Loss Reserve relates to Merchant Finance & Investment Company Limited in accordance with the requirements of the Reserve Bank of Fiji.

Other equity reserve

Other equity reserve relates principally to acquisition of minority interests shareholdings in Fiji Television Limited.

Asset revaluation reserve

The asset revaluation reserve consists of increments arising from the revaluation of the Group's property, plant and equipment.

Foreign currency translation reserve

The foreign currency translation reserve relates to foreign currency translations as at year end on consolidation of subsidiary companies operating in foreign jurisdictions whose financial statements and transactions are denominated in a currency other than the functional and presentation currency of the Group.

Common control reserve

As described in note 2.26, the acquisition of FHL Media Limited by the Group is accounted for as a common control transaction. As a consequence, the difference between the fair value of the consideration paid and the existing book value of assets and liabilities of FHL Media Limited is taken to a common control reserve. Upon disposal of all interests in FHL Media Limited by the Group, this reserve would be transferred to retained earnings.

	Asset Revaluation Reserve \$'000	Credit Loss Reserves \$'000	Common Control Reserve \$'000	Available for Sale Reserve \$'000	Foreign Currency Translation Reserve \$'000	Other Equity Reserve \$'000	Total \$'000
(a) Group							
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
Foreign currency movement	-	-	-	-	(2,432)	-	(2,432)
Decrease in non-controlling interests	-	-	-	-	-	(1,206)	(1,206)
Fair value movements	(7)	-	-	1,056	-	-	1,049
Balance at 30 June 2014	5,892	1,805	9,926	2,675	(4,374)	(1,219)	14,705
(b) Company							
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
Reclassification of amounts to profit or loss	-	-	-	-	-	-	-
Fair value movements	-	-	-	(947)	-	-	(947)
Balance at 30 June 2014	-	-	-	54,072	-	-	54,072

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

Year ended 30 June 2014

29. 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	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Not later than 1 year	9,352	8,145	-	-
Later than 1 year but not later than 5 years	14,616	17,216	-	-
Later than 5 years	23,471	24,685	-	-
	\$47,439	\$50,046	\$-	\$-

The subsidiary company, Fiji Television Limited entered into a new satellite services agreement in the previous financial year. At inception of the arrangement, this was determined not to contain a lease as the fulfilment of the arrangement is not dependent on the use of a specified asset or assets. Nonetheless, the commitments under this arrangement have been included in the above lease and other commitment disclosure.

Other lease arrangements include operating lease rentals with parties external to the group for rental of office space and retail outlets.

Operating lease commitments – where a group company is the lessor

The group leases certain properties at varying terms and conditions. The future minimum lease payments receivable under these leases are as follows:

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Not later than 1 year	4,734	3,417	-	-
Later than 1 year but not later than 5 years	4,948	3,574	-	-
Later than 5 years	185	61	-	-
	\$9,867	\$7,052	\$-	\$-

30. EARNINGS PER SHARE

The calculation of earnings per share at 30 June 2014 was based on the profit attributable to ordinary shareholders of \$8,338,000 (2013: \$9,848,000) and a weighted average number of ordinary shares outstanding of 30,465,000 (2013: 30,465,000), calculated as follows:

	GROUP	
	2014 \$'000	2013 \$'000
Profit after income tax attributable to members of the holding company	8,338	9,848
Loss from discontinued operations	924	1,295
Profit after tax from continuing operations	9,262	11,143
Weighted average number of shares outstanding	30,465	30,465
Basic and diluted earnings per share – continuing operations	\$0.30	\$0.37
Basic and diluted earnings per share (cents)	\$0.27	\$0.32

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

Year ended 30 June 2014

31. CONTINGENT LIABILITIES

Non performance guarantees given by the bank on behalf of subsidiary companies
Limited guarantees provided by the holding company to the bank on behalf of:
- subsidiary and related party

GROUP		COMPANY	
2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
4,382	4,457	483	483
-	604	-	-

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

The company has provided letters of support to three of its subsidiaries, South Sea Cruises Limited, Basic Industries (PNG) 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.

The subsidiary company, Fiji Television Limited, and its satellite provider are in dispute contractually and are each claiming against the other in the amounts of approximately USD 1.7 million (FJD 3.21 million) and USD 1.5million (FJD 2.75 million), respectively. The matter is complex and certain key contractual terms are subject to legal interpretation. As a result the outcome of the dispute and the timing and amount of any possible payment by the company cannot be reliably measured at the date of this report.

32. CAPITAL COMMITMENTS

Commitments for capital expenditure not provided for in the financial statements are as follows:

Approved but not contracted
Approved and contracted

GROUP		COMPANY	
2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
1,663	2,290	-	-
7,105	4,580	-	-

33. RELATED PARTY INFORMATION

Directors

The following were directors of the Company at any time during the financial year:

Iowane Naiveli	- Chairman	Colonel Apakuki Kurusiga	- Deputy Chairman (resigned 14 August, 2014)
Padam Lala		Ulaiyasi Baya	- resigned on 17 July 2014
Mere Samisoni	- resigned on 30 July 2013	Ratu Samu Nawalowalo	- resigned on 17 July 2014
Filimoni Waqabaca	- resigned on 29 April 2014	Viliame Gavoka	- resigned on 25 June 2014
Aseri Radrodro	- resigned on 17 July 2014	Sakiusa Raivoce	- appointed on 20 August 2013
Ulai Taoi	- appointed on 25 June 2014		

Amounts paid to the directors during the year are disclosed in Note 5(b).

Identity of related parties

All material ownership interests in related parties are disclosed in Note 20. The Group also has related party transactions within the Group which are eliminated upon consolidation.

Key management personnel

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

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:

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

Year ended 30 June 2014

33. RELATED PARTY INFORMATION - Continued

Key management personnel - continued

Name	Title
Fijian Holdings Limited	
Nouzab Fareed	Group Chief Executive Officer
Tevita Gonelevu	Manager Investment and Strategy (resigned on 1/08/2013)
Elenoa Lalabalavu	Manager Investment (appointed on 1/08/2013)
Joel Mastapha	Group Manager Finance (resigned on 1/10/2013)
Salesh Dayal	Group Manager Finance (appointed on 1/09/2013)
Serai Roxburgh	Manager Human Resources (resigned on 1/09/2013)
Catherine Grey	Manager Human Resources (appointed on 1/09/2013)
Fiji Television Limited	
Tarun Patel	Chief Executive Officer (resigned 31/07/2013)
Tevita Gonelevu	Chief Executive Officer (appointed 1/08/2013)
South Sea Cruises Limited	
Peter Duncan	Chief Executive officer
Basic Industries Limited	
Mosese Volavola	General Manager
Pacific Cement Limited	
Mosese Waqavakatoga	General Manger (resigned 1/04/2014)
Sonni Dutt	General Manager (appointed 1/12/2013)
Merchant Finance & Investment Company Limited	
Napolioni Batimala	General Manager
RB Patel Group Limited	
Deepak Rathod	Chief Operating Officer

The aggregate compensation of the key management personnel of the Group comprising only short-term benefits amounted to \$2.039 million (2013: \$1.375 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:

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

Year ended 30 June 2014

33. RELATED PARTY INFORMATION – Continued

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Management fees – continued				
Merchant Finance & Investment Company Ltd	-	-	96	96
FHL Retailing Ltd	-	-	600	600
Fijian Holdings Fund Management Limited	-	-	71	85
Fijian Properties Limited	-	-	360	360
FHL Securities Ltd	-	-	5	5
Pacific Cement Limited	-	-	144	27
Basic Industries Limited	-	-	8	63
FHL Media Limited	-	-	24	8

Dividend income

The dividends received during the year has been disclosed in Note 20.

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	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
iTaukei Affairs Board	-	859	-	859
Golden Manufacturers Ltd	-	-	-	-
Blue Lagoon Cruises Ltd	-	-	393	424
FHL Retailing Ltd	-	-	397	421
FHL Logistics Ltd	-	-	-	31
FHL Properties Limited	-	-	266	313
South Sea Cruises Limited	-	-	-	7
Basic Industries (PNG) Limited	-	-	-	5

Amounts receivable 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	-	-	-	-
FHL Properties Limited	-	-	4,086	4,000
Blue Lagoon Cruises Ltd	-	-	7,111	6,639
FHL Logistics Ltd	-	-	-	2,730
FHL Retailing Ltd	-	-	6,030	6,434

Other receivables

Basic Industries Ltd	-	-	1,075	1,331
Blue Lagoon Cruises Ltd	-	-	7	-
FHL Logistics Ltd	-	-	984	13
FHL Retailing Ltd	-	-	835	70
Pacific Cement Limited	-	-	53	211
Fijian Holdings Fund Management Ltd	-	-	312	227
Fijian Properties Ltd	-	-	669	123
Golden Manufacturers Limited	-	-	608	-
Fiji Television Limited	-	-	-	49
South Sea Cruises Limited	-	-	4,213	2,513
Marsh Ltd	-	-	300	163
Merchant Finance & Investment Company Ltd	-	-	3,937	2,350
Basic Industries (PNG) Limited	-	-	944	-
FHL Stockbrokers Ltd	-	-	41	1
RB Patel	-	-	-	13
Provision for doubtful debts – FHL Logistics Limited	-	-	(984)	(2,730)
Provision for doubtful debts – Basic Industries (PNG) Limited	-	-	(944)	-

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

Year ended 30 June 2014

34. SEGMENT INFORMATION

Primary Reporting - Business Segments

	Construction \$000	Property \$000	Finance \$000	Tourism \$000	Media \$000	Retail \$000	Investment \$000	Other Investments \$000	Inter Segment \$000	2014 TOTAL GROUP \$000
External Operating Revenue										
Sale of goods	75,694	-	-	-	-	101,491	-	-	(7,974)	169,211
Rental and property management	-	3,289	-	-	-	-	-	-	-	3,289
Rendering of services	-	-	-	39,320	35,986	-	-	-	(1,825)	73,481
Net interest income	-	-	14,859	-	-	-	-	-	-	14,859
Other	-	-	-	-	-	-	17,646	6,752	(22,521)	1,877
Total operating revenue/ net interest income										262,717
Result										
Profit/(loss) before income tax – continuing operations	4,605	721	9,818	2,586	1,939	5,919	10,893	2,808	(15,655)	23,634
Depreciation and amortisation expense	(2,602)	(419)	(595)	(2,068)	(3,912)	(1,095)	(192)	(518)	-	(11,401)
Acquisition of property, plant and equipment	4,255	67	167	5,790	4,076	2,941	252	43	-	17,591
Total assets	56,390	20,573	141,831	52,646	53,845	53,327	240,757	57,470	(217,975)	458,864
Total liabilities	20,768	13,594	107,155	39,047	14,247	28,149	71,122	8,839	(44,187)	258,734

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

Year ended 30 June 2014

34. SEGMENT INFORMATION - Continued

Primary Reporting - Business Segments

	Construction \$000	Property \$000	Finance \$000	Tourism \$000	Media \$000	Retail \$000	Investment \$000	Other \$000	Inter Segment \$000	2013 TOTAL GROUP \$000
External Operating 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 operat- ing 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
Depre- ciation 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

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, and management services. In the prior year, it also included 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 and therefore do not require separate segment disclosures.

35. EVENTS SUBSEQUENT TO BALANCE DATE

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

SOUTH PACIFIC STOCK EXCHANGE LISTING REQUIREMENTS TUKUTUKU E VINAKATI MAI NA SOUTH PACIFIC STOCK EXCHANGE

Year ended 30 June 2014

SOUTH PACIFIC STOCK EXCHANGE LISTING REQUIREMENTS

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 2014 included

	Beneficially		Non-beneficially	
	Additions	Holding	Additions	Holding
Colonel Apakuki Kurusiga (resigned 14 August, 2014)	-	-	-	10,760,977
Viliame Gavoka (resigned 25 June, 2014)	-	-	-	67,500
Ratu Samu Nawalowalo (resigned 17 July, 2014)	-	-	-	10,000,000
Sakiusa Raivoce	-	100,000	-	-
Ulai Taoi	-	2,311	-	-
Isikeli Tuituku	-	-	-	6,711
Viliame Cegumalua	-	-	-	400,000

b) Distribution of Shareholding

Holding	No. of Holders	% Holding
Less than 500 shares	253	0.34%
501 to 5,000 shares	740	3.72%
5,001 to 10,000 shares	61	1.36%
10,001 to 20,000 shares	52	2.56%
20,001 to 30,000 shares	20	1.59%
30,001 to 40,000 shares	14	1.51%
40,001 to 50,000 shares	10	1.56%
50,001 to 100,000 shares	30	7.64%
100,001 to 1,000,000 shares	14	14.09%
Over 1,000,000 shares	2	65.65%
Total	1,196	100%

c) Top 20 shareholders

	Name	No. of Shares
1	ITAUKEI LAND TRUST BOARD	859,666
2	I TAUKEI AFFAIRS BOARD	760,977
3	CAKAUDROVE PROVINCIAL HOLDINGS COMPANY LIMITED	400,000
	CICIA PLANTATION CO-OPERATIVE SOCIETY 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

SOUTH PACIFIC STOCK EXCHANGE LISTING REQUIREMENTS TUKUTUKU E VINAKATI MAI NA SOUTH PACIFIC STOCK EXCHANGE

Year ended 30 June 2014

c) Top 20 shareholders - continued

9	DUAVATA HOLDINGS LTD	141,000
10	BUA PROVINCIAL COUNCIL	137,102
11	MUALEVU KORO INVESTMENT LTD	108,754
12	MOALA TIKINA COUNCIL	101,005
13	LOMATI VILLAGE INVESTMENT LTD	100,000
	KIRI VEREWALE RICHMOND	100,000
	MUNIA HOLDINGS LTD	100,000
	NABUKEBUKE HOLDINGS LTD	100,000
	NASOQAO FARMING ENTERPRISES LTD	100,000
	NAQARANI HOLDINGS LTD	100,000
	DOGOTUKI TIKINA COUNCIL	100,000
14	SAKIUSA & ANASEINI RAIVOCE	100,000
15	VATULELE ISLAND HOLDINGS LTD	97,990
16	SERUA PROVINCIAL COUNCIL	97,102
17	REWA PROVINCIAL COUNCIL	93,601
18	VUKICEA INVESTMENTS LTD	90,000
19	MATAQALI NATABUTALE	84,743
20	KADAVU PROVINCIAL COUNCIL	80,353

d) Share price details:

Highest share price during the year was \$3.33.
Lowest share price during the year was \$3.09.
Share price at year end was \$3.33

e) Attendance at Board Meetings:

Name	No of meeting	No attended
Iowane Naiveli	10	10
Colonel Apakuki Kurusiga (resigned 14 August, 2014)	10	9
Padam Lala	10	3
Ulaiyasi Baya (resigned 17 July, 2014)	10	8
Ratu Samu Nawalowalo (resigned 17 July, 2014)	10	9
Filimoni Waqabaca (resigned 29 April, 2014)	7	-
Viliame Gavoka (resigned 25 June, 2014)	9	5
Aseri Radrodoro (resigned 17 July, 2014)	10	9
Sakuisa Raivoce (appointed 20 August, 2013)	9	8

f) Share register

Central Share Registry
South Pacific Stock Exchange
Level 2, Plaza 1, FNPF Building
83 Ellery Street
Suva
Fiji

Company Secretary – Elenoa Lalabalavu

SOUTH PACIFIC STOCK EXCHANGE LISTING REQUIREMENTS TUKUTUKU E VINAKATI MAI NA SOUTH PACIFIC STOCK EXCHANGE

Year ended 30 June 2014

g) Disclosure under Section 7(4)

	FHL Fund Management Ltd \$'000	South Sea Cruises Ltd \$'000	FHL Properties Ltd \$'000	FHL Stockbrokers Ltd \$'000	FHL Retailing Ltd \$'000	Basic Industries Ltd \$'000
Turnover	1,480	39,320	3,289	195	106,568	38,978
Other income	12	230	768	17	2,215	1,229
	1,492	39,550	4,057	212	108,783	40,207
Depreciation	(45)	(1,318)	(419)	(12)	(1,556)	(1,652)
Interest income/(expense)	24	(1,310)	(613)	13	(1,237)	(370)
Other expenses	(932)	(34,334)	(2,304)	(174)	(97,842)	(33,911)
Income tax expenses	(111)	(977)	(37)	(13)	(110)	(787)
Profit/(Loss) after tax	428	1,611	684	26	8,038	3,487
Assets	1,148	64,113	20,573	724	96,182	32,167
Liabilities	(480)	(37,950)	(13,594)	(145)	(35,186)	(12,351)
Shareholder's Funds	668	26,163	6,979	579	60,996	19,816

	Pacific Cement Ltd \$'000	FHL Logistics Ltd \$'000	Merchant Finance & Investment Company Ltd \$'000	Basic Industries PNG Ltd \$'000	FHL Media Ltd \$'000
Turnover	34,219	1,234	14,859	129	35,986
Other income	351	309	1,117	117	1,658
	34,570	1,543	15,976	246	37,644
Depreciation	(886)	(12)	(595)	(64)	(3,913)
Interest income/(expense)	(193)	-	-	-	350
Other expenses	(32,082)	(2,459)	(5,564)	(1,260)	(32,143)
Income tax expenses	(388)	-	(1,958)	-	(2,779)
Profit/(Loss) after tax	1,021	(928)	7,859	(1,078)	(841)
Assets	20,492	173	141,831	3,732	53,845
Liabilities	(4,926)	(1,173)	(107,155)	(3,492)	(14,266)
Shareholder's Funds	15,566	1,000	34,676	240	39,579

BOARD MEETING RECORD

NAI WILIWILI NI DAIREKETA ERA VAKAITAVI ENA BOSE NI KABANI COKOVATA

Year ended 30 June 2014

	15-Jul	20-Aug	30-Sep	24-Oct	26-Nov	29-Jan	31-Mar	29-Apr	28-May	25-Jun	Meeting Entitled	Attended
Naiveli	★	★	★	★	★	★	★	★	★	★	10	10
Kurusiga	★	★	★	★	★	★	★	★	●	★	10	9
Lala	●	●	●	★	●	★	●	★	●	●	10	3
Baya	★	★	★	★	★	●	★	★	●	★	10	8
Gavoka	●	●	★	●	★	★	★	●	★	◆	9	5
Waqabaca	●	●	●	●	●	●	●	◆	◆	◆	7	0
Nawalowalo	★	★	★	★	★	★	★	★	★	●	10	9
Radrodro	★	★	★	★	★	★	★	★	●	★	10	9
Raivoce		★	★	●	★	★	★	★	★	★	9	8
	★	ATTENDED		●	APOLOGIES		◆	RESIGNED				



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 Ninth Annual General Meeting of Fijian Holdings Limited to be held on 29th October 2014

(please select appropriate section)

A

Shareholder Signature	Witness Name & Signature

Signed this day of 2014

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 <input style="width: 200px;" type="text"/>
	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 2014

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



www.fijianholdings.com.fj

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