



Merchant Finance

SUMMARY KEY DISCLOSURE STATEMENT for the financial year ended 30 June 2009

Introductory Statement

- The purpose of this information is to provide customers and potential customers with information about the financial condition of their credit institution.
- The explanation of the terms used in the Key Disclosure Statement is contained in the Reserve Bank publication "Your Bank's Disclosure Statement : What's In It For You". The terms used in the brochure are also applicable to credit institutions. The brochure can be obtained from the Reserve Bank of Fiji. Other information can be viewed at all branches of Merchant Finance & Investment Co Ltd

Corporate Information

- The full name of the credit institution is Merchant Finance & Investment Co Ltd
- The full name of the ultimate parent company of the Merchant Finance & Investment Co Ltd is Fijian Holdings Ltd, which is domiciled in Fiji.
- The names of the directors of the Merchant Finance & Investment Co Ltd are

Chairman	Col (Dr) Aziz Mohammed
Deputy Chairman	Sereana Qoro
Members	Pita Mawi
	Michael Makasiale
	Eliki Salusalu
	Ulaiasi Baya
	Nouzab Fareed
	Aiyaz Musa (alternate)

		Audited Current Year	Audited Prior Period (Restated)
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Profitability

<input checked="" type="checkbox"/> Net operating profit/(loss) after tax (\$'000)	6,143	2,559
<input checked="" type="checkbox"/> As a percentage of average total assets	7.02%	2.76%

Size - as at end of financial year

<input checked="" type="checkbox"/> Total assets (\$'000)	84,898	90,198
<input checked="" type="checkbox"/> The percentage change in total assets over 12 months	(5.88%)	(5.60%)

Capital Adequacy - as at end of financial year

<input checked="" type="checkbox"/> Tier 1 Capital (\$'000)	21,309	22,338
<input checked="" type="checkbox"/> Tier 1 Capital to total risk-weighted assets ratio	25.81%	25.74%
<input checked="" type="checkbox"/> Total Capital (\$'000)	22,342	23,423
<input checked="" type="checkbox"/> Capital adequacy ratio	27.06%	26.99%

		Audited Current Year	Audited Prior Period (Restated)
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Asset Quality - as at end of financial year

<input checked="" type="checkbox"/>	Total impaired assets (on - and off-balance sheet) (\$'000)	10,133	11,575
<input checked="" type="checkbox"/>	As a percentage of total assets	11.94%	12.83%
<input checked="" type="checkbox"/>	Total individually assessed provisions (\$'000)	7,172	8,170
<input checked="" type="checkbox"/>	Total collectively assessed provisions (\$'000)	4,863	2,500
<input checked="" type="checkbox"/>	Total provisions as a percentage of total impaired assets	118.77%	92.18%
<input checked="" type="checkbox"/>	General reserves for credit losses (\$'000)	2,255	-

Peak Credit Exposure Concentrations - number of counterparties or groups of closely-related counterparties in relation to the total capital of the credit institution

<input checked="" type="checkbox"/>	10% to 20% of total capital	2	1
<input checked="" type="checkbox"/>	20% to 25% of total capital	-	-
<input checked="" type="checkbox"/>	Over 25% of total capital	-	-

Peak Connected Persons Credit Exposures - for all connected persons

<input checked="" type="checkbox"/>	Peak end-of-day credit exposure amount (\$'000)	158	3,116
<input checked="" type="checkbox"/>	As a percentage of total capital	0.71%	13.30%
<input checked="" type="checkbox"/>	Maximum peak end-of-day aggregate credit exposure to all connected persons as a percentage of total capital	25.00%	25.00%

Balance Sheet

The Balance Sheet for the Fiji Operations as prepared under the IFRSs should be reported here and should include, but should not be limited to, the following:

Cash and liquid assets	2,017	18,006
Balance with the Reserve Bank of Fiji		
Receivables due from other financial institutions		
Securities held	6,014	3,026
Loans (including advances to customers and similar facilities)	83,155	74,221
Provision for doubtful debts	(12,035)	(10,670)
Fixed Asset & Asset held for Sale	910	961
Intangible Asset	1,151	1,151
Prepayment & Other Receivables	3,686	3,503
Total Assets	84,898	90,198
Deposits of Promissory Notes of statutory bodies		
Payables due to other financial institutions		
Deposits and borrowings	52,239	62,025
Amounts owed to other depositors		
Certificates of deposits		
Promissory Notes and other liabilities evidenced by paper		
Other borrowed funds		
Others	5,562	3,219
Issued and paid up or assigned capital	4,000	4,000
Capital reserves	-	-
Revaluation reserves	-	-
General reserves for credit losses	2,255	-
Other reserves	-	-
Retained earnings	20,842	20,954

		Audited	Audited
		Current Year	Prior Period (Restated)

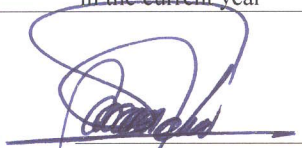
Income Statement

The Income Statement for the Fiji Operations as prepared under the IFRSs should be reported here and should include, but should not be limited to, the following:

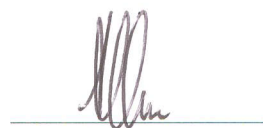
Interest and similar income	15,692	16,413
Interest and similar expense	(2,709)	(4,198)
Dividend income	-	-
Fee and commission revenue	1,442	1,752
Fee and commission expense	-	-
Other revenues arising from financial instruments	-	-
Gains less losses arising from dealing securities	-	-
Other expenses arising from financial instruments	-	-
Gains less losses arising from investment securities	-	-
Gains less losses arising from dealing in foreign currencies	-	-
Other operating revenue	-	-
Bad and doubtful debts (including provisions for impairment)	(1,719)	(5,934)
Recoveries of bad and doubtful debts	-	-
General administration expense	-	-
Other operating expense	(3,759)	(3,266)
Net profit/(loss) before tax	8,947	4,767
Net profit/(loss) after tax	6,143	2,559

Availability of Disclosure Statements

- Merchant Finance & Investment Co Ltd's most recent Key Disclosure Statement is available at all Merchant Finance & Investment Co Ltd branches
- Merchant Finance & Investment Co Ltd's most recent General Disclosure Statement is available at all Merchant Finance & Investment Co Ltd branches
- The most recent audited balance sheet and income statement and other publicly available financial information on any "associated person" of the credit institution are available for inspection at our head office located at Level 1, Ra Marama House, 91 Gordon Street, Suva.
- Where necessary, comparative figures have been adjusted to conform to changes in the presentation in the current year



 Director



 Director