



**SUMMARY KEY DISCLOSURE STATEMENT  
for the financial year ended 30 June 2010**

**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

<b>Chairman</b>	Brig. Gen (Dr) Aziz Mohammed
<b>Deputy Chairman</b>	Sereana Qoro
<b>Members</b>	Ulaiasi Baya
	Nouzab Fareed
	Pita Mawi
	Michael Makasiale
	Aiyaz Musa (Alternate)
	Napolioni Batimala (Alternate - Appointed 05/11/09)
	Eliki Vuli Salusalu (Resigned - 19/05/10)

	<b>Audited Current Year</b>	<b>Audited Prior Period</b>
<b>Profitability</b>		
<input checked="" type="checkbox"/> Net operating profit/(loss) after tax (\$'000)	6,781	6,143
<input checked="" type="checkbox"/> As a percentage of average total assets	6.63%	7.02%
<b>Size - as at end of financial year</b>		
<input checked="" type="checkbox"/> Total assets (\$'000)	119,569	84,898
<input checked="" type="checkbox"/> The percentage change in total assets over 12 months	40.84%	(5.88%)
<b>Capital Adequacy - as at end of financial year</b>		
<input checked="" type="checkbox"/> Tier 1 Capital (\$'000)	25,291	21,309
<input checked="" type="checkbox"/> Tier 1 Capital to total risk-weighted assets ratio	27.41%	25.81%
<input checked="" type="checkbox"/> Total Capital (\$'000)	26,445	22,342
<input checked="" type="checkbox"/> Capital adequacy ratio	28.66%	27.06%

		Audited	Audited
		Current Year	Prior Period

Asset Quality - as at end of financial year

<input checked="" type="checkbox"/>	Total impaired assets (on - and off-balance sheet) (\$'000)	18,951	10,133
<input checked="" type="checkbox"/>	As a percentage of total assets	15.85%	11.94%
<input checked="" type="checkbox"/>	Total individually assessed provisions (\$'000)	5,574	7,172
<input checked="" type="checkbox"/>	Total collectively assessed provisions (\$'000)	1,461	4,863
<input checked="" type="checkbox"/>	Total provisions as a percentage of total impaired assets	37.13%	118.77%
<input checked="" type="checkbox"/>	General reserves for credit losses (\$'000)	2,255	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	3	2
<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)	83	158
<input checked="" type="checkbox"/>	As a percentage of total capital	0.32%	0.71%
<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	28,323	2,017
Balance with the Reserve Bank of Fiji	-	-
Receivables due from other financial institutions	-	-
Securities held	10,509	6,014
Loans (including advances to customers and similar facilities)	84,105	83,155
Provision for doubtful debts	(7,036)	(12,035)
Fixed Asset & Asset held for Sale	990	910
Intangible Asset	0	1,151
Prepayment & Other Receivables	2,679	3,686
<b>Total Assets</b>	<b>119,569</b>	<b>84,898</b>
Deposits of Promissory Notes of statutory bodies	-	-
Payables due to other financial institutions	-	-
Deposits and borrowings	86,110	51,089
Amounts owed to other depositors	-	-
Certificates of deposits	-	-
Promissory Notes and other liabilities evidenced by paper	-	-
Other borrowed funds	-	-
Others	3,880	6,712
Issued and paid up or assigned capital	4,000	4,000
Capital reserves	-	-
Revaluation reserves	-	-
General reserves for credit losses	2,255	2,255
Other reserves	-	-
<b>Retained earnings</b>	<b>23,324</b>	<b>20,842</b>

	Audited Current Year	Audited Prior Period
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### Income Statement

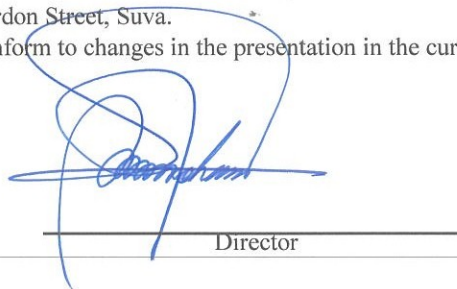
The Income Statement for the Fiji Operations as prepared under the IFRSs should be reported here and should include, but should not be limited to, the following:

Interest and similar income	16,782	15,692
Interest and similar expense	(5,373)	(2,709)
Dividend income	-	-
Fee and commission revenue	1,836	1,438
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)	242	(1,719)
Recoveries of bad and doubtful debts	-	-
General administration expense	-	-
Other operating expense	(3,875)	(3,755)
Net profit/(loss) before tax	9,612	8,947
Net profit/(loss) after tax	6,781	6,143

### 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.

  
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 Director

  
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 Director