



MERCHANT FINANCE

SUMMARY KEY DISCLOSURE STATEMENT for the financial year ended 30 June 2012

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	Carl Ngamoki Cameron (Appointed - 03/08/11, Resigned - 05/10/11) Padam Raj Lala (Appointed - 04/02/11)
Members	Ulaiasi Baya (Appointed - 31/07/08) Nouzab Fareed (Appointed - 27/02/09) Pita Mawi (Appointed - 23/06/08) Samuela Nawalowalo (Appointed - 04/11/11) Jone Vatukela (Appointed 04/11/11) Ilimo Cawi (Appointed - 03/08/11, Resigned - 04/11/11) Saimoni Lutu (Appointed - 03/08/11, Resigned - 27/10/11) Tevita Gonelevu (Alternate Appointed 04/11/11)

		Audited Current Year	Audited Prior Period
--	--	-------------------------	-------------------------

Profitability

<input checked="" type="checkbox"/> Net operating profit/(loss) after tax (\$'000)	5,542	5,163
<input checked="" type="checkbox"/> As a percentage of average total assets	4.45%	4.22%

Size - as at end of financial year

<input checked="" type="checkbox"/> Total assets (\$'000)	124,008	125,130
<input checked="" type="checkbox"/> The percentage change in total assets over 12 months	(0.90%)	4.65%

Capital Adequacy - as at end of financial year

<input checked="" type="checkbox"/> Tier 1 Capital (\$'000)	28,144	26,568
<input checked="" type="checkbox"/> Tier 1 capital to total risk-weighted assets ratio	25.91%	26.37%
<input checked="" type="checkbox"/> Total Capital (\$'000)	29,501	27,827
<input checked="" type="checkbox"/> Capital adequacy ratio	27.16%	27.62%

	Audited Current Year	Audited Prior Period
Asset Quality - as at end of financial year		
<input checked="" type="checkbox"/> Total impaired assets (on- and off-balance sheet) (\$'000)	23,430	36,509
<input checked="" type="checkbox"/> As a percentage of total assets	18.89%	29.18%
<input checked="" type="checkbox"/> Total individually assessed provisions (\$'000)	4,548	4,915
<input checked="" type="checkbox"/> Total collectively assessed provisions (\$'000)	1,607	1,728
<input checked="" type="checkbox"/> Total provisions as a percentage of total impaired assets	26.27%	18.19%
<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	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)	286	154
<input checked="" type="checkbox"/> As a percentage of total capital	0.97%	0.55%
<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:	(\$'000)	(\$'000)
Cash and liquid assets	19,839	25,815
Balance with the Reserve Bank of Fiji	-	-
Receivables due from other financial institutions	-	-
Securities held	6,502	6,506
Loans (including advances to customers and similar facilities)	97,217	94,759
Provision for doubtful debts	(6,155)	(6,642)
Fixed assets	2,348	2,407
Asset held for Sale	2,630	-
Intangible Asset	1,286	1,919
Prepayment & Other Receivables	341	367
Total Assets	124,008	125,130
Deposits of Promissory Notes of statutory bodies	-	-
Payables due to other financial institutions	-	-
Deposits and borrowings	87,564	90,746
Amounts owed to other depositors	-	-
Certificates of deposits	-	-
Promissory Notes and other liabilities evidenced by paper	-	-
Other borrowed funds	-	-
Others	4,761	3,642
Issued and paid up or assigned capital	10,000	4,000
Capital reserves	-	-
Revaluation reserves	-	-
General reserves for credit losses	2,255	2,255
Other reserves	-	-
Retained earnings	19,428	24,487

	Audited Current Year	Audited Prior Period
--	-------------------------	-------------------------

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
 Interest and similar expense
 Dividend income
 Fee and commission revenue
 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)
 Recoveries of bad and doubtful debts
 General administration expense
 Other operating expense
 Net profit/(loss) before tax
 Net profit/(loss) after tax

	(\$'000)	(\$'000)
	16,223	18,339
	(5,028)	(5,828)
	-	-
	2,463	1,468
	-	-
	-	-
	-	-
	-	-
	-	-
	-	43
	(1,070)	(2,346)
	77	41
	-	-
	(4,262)	(4,546)
	8,403	7,171
	5,542	5,163

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 profit and loss statements 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 current year presentation.



Director



Director



Auditor