



MERCHANT FINANCE

SUMMARY KEY DISCLOSURE STATEMENT for the financial year ended 30 June 2013

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	Mere Samisoni (Appointed - 12/02/13)
	Padam Raj Lala (Appointed - 04/02/11, Resigned - 12/02/13)
Members	Nouzab Fareed (Appointed - 27/02/09)
	Mereia Volavola (Appointed - 12/02/13)
	Apakuki Kurisiga (Appointed - 12/02/13)
	Isireli Koyamaibole (Appointed - 12/02/13)
	Sefanaia Rayawa (Appointed - 02/05/13)
	Tevita Gonelevu (Alternate Appointed 04/11/11)
	Ulaiasi Baya (Appointed - 31/07/08, Resigned - 12/02/13)
	Pita Mawi (Appointed - 23/06/08, Resigned - 12/02/13)
	Samuela Nawalowalo (Appointed - 04/11/11, Resigned - 12/02/13)
	Jone Vatukela (Appointed 04/11/11, Resigned - 12/02/13)

	Audited Current Year	Audited Prior Period
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Profitability

<input checked="" type="checkbox"/> Net operating profit/(loss) after tax (\$'000)	7,232	5,542
<input checked="" type="checkbox"/> As a percentage of average total assets	5.43%	4.45%

Size - as at end of financial year

<input checked="" type="checkbox"/> Total assets (\$'000)	142,124	124,008
<input checked="" type="checkbox"/> The percentage change in total assets over 12 months	14.61%	(0.90%)

Capital Adequacy - as at end of financial year

<input checked="" type="checkbox"/> Tier 1 Capital (\$'000)	30,496	28,144
<input checked="" type="checkbox"/> Tier 1 capital to total risk-weighted assets ratio	27.79%	25.91%
<input checked="" type="checkbox"/> Total Capital (\$'000)	31,868	29,501
<input checked="" type="checkbox"/> Capital adequacy ratio	29.04%	27.16%

	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)	20,115	23,430
<input checked="" type="checkbox"/> As a percentage of total assets	14.15%	18.89%
<input checked="" type="checkbox"/> Total individually assessed provisions (\$'000)	4,017	4,548
<input checked="" type="checkbox"/> Total collectively assessed provisions (\$'000)	2,064	1,607
<input checked="" type="checkbox"/> Total provisions as a percentage of total impaired assets	30.23%	26.27%
<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

	1	2
<input checked="" type="checkbox"/> 10% to 20% of total capital	-	-
<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)	205	286
<input checked="" type="checkbox"/> As a percentage of total capital	0.64%	0.97%
<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	26,184	19,839
Balance with the Reserve Bank of Fiji	-	-
Receivables due from other financial institutions	-	-
Securities held	9,502	6,502
Loans (including advances to customers and similar facilities)	105,667	97,217
Provision for doubtful debts	(6,081)	(6,155)
Fixed assets	2,647	2,348
Asset held for Sale	2,630	2,630
Intangible Asset	1,265	1,286
Prepayment & Other Receivables	310	341
Total Assets	142,124	124,008
Deposits of Promissory Notes of statutory bodies	-	-
Payables due to other financial institutions	-	-
Deposits and borrowings	103,649	87,564
Amounts owed to other depositors	-	-
Certificates of deposits	-	-
Promissory Notes and other liabilities evidenced by paper	-	-
Other borrowed funds	-	-
Others	4,459	4,761
Issued and paid up or assigned capital	10,000	10,000
Capital reserves	-	-
Revaluation reserves	-	-
General reserves for credit losses	2,255	2,255
Other reserves	-	-
Retained earnings	21,761	19,428

	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:

	(\$'000)	(\$'000)
Interest and similar income	18,458	16,223
Interest and similar expense	(4,099)	(5,028)
Dividend income	-	-
Fee and commission revenue	1,986	2,463
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)	(2,224)	(1,070)
Recoveries of bad and doubtful debts	195	77
General administration expense	-	-
Other operating expense	(5,233)	(4,262)
Net profit/(loss) before tax	9,083	8,403
Net profit/(loss) after tax	7,232	5,542

Availability of Disclosure Statements

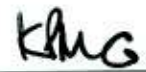
- Merchant Finance & Investment Co Ltd's most recent Key Disclosure Statement is available at all Merchant Finance & Investment Co Ltd branches.
- Merchant Finance & Investment Co Ltd's most recent General Disclosure Statement is available at all Merchant Finance & Investment Co Ltd branches.
- The most 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.



Director



Director



Auditor