



MERCHANT FINANCE

SUMMARY KEY DISCLOSURE STATEMENT for the financial year ended 30 June 2014

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	Apakuki Kurisiga (Appointed - 12/02/13) Mere Samisoni (Appointed - 12/02/13, Resigned - 30/07/13)
Members	Nouzab Fareed (Appointed - 27/02/09) Isireli Koyamaibole (Appointed - 12/02/13, Resigned - 27/01/14) Mereia Volavola (Appointed - 12/02/13) Sefanaia Rayawa (Appointed - 12/02/13) Tevita Gonelevu (Alternate Appointed 04/11/11, Resigned - 28/08/13) Elenoa Lalabalavu (Appointed - 03/09/13) Sowani Tuidrola (Alternate Appointed 03/09/13) Aseri Radrodro (Appointed - 27/01/14)

	Audited Current Year	Audited Prior Period
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Profitability

<input checked="" type="checkbox"/> Net operating profit/(loss) after tax (\$'000)	7,860	7,232
<input checked="" type="checkbox"/> As a percentage of average total assets	5.53%	5.43%

Size - as at end of financial year

<input checked="" type="checkbox"/> Total assets (\$'000)	141,935	142,124
<input checked="" type="checkbox"/> The percentage change in total assets over 12 months	(0.13%)	14.61%

Capital Adequacy - as at end of financial year

<input checked="" type="checkbox"/> Tier 1 Capital (\$'000)	31,360	30,496
<input checked="" type="checkbox"/> Tier 1 capital to total risk-weighted assets ratio	28.54%	27.79%
<input checked="" type="checkbox"/> Total Capital (\$'000)	32,733	31,868
<input checked="" type="checkbox"/> Capital adequacy ratio	29.79%	29.04%

	Audited Current Year	Audited Prior Period
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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)	20,084	20,115
<input checked="" type="checkbox"/> As a percentage of total assets	14.15%	14.15%
<input checked="" type="checkbox"/> Total individually assessed provisions (\$'000)	2,967	4,017
<input checked="" type="checkbox"/> Total collectively assessed provisions (\$'000)	2,102	2,064
<input checked="" type="checkbox"/> Total provisions as a percentage of total impaired assets	25.24%	30.23%
<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	-	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)	-	205
<input checked="" type="checkbox"/> As a percentage of total capital	0.00%	0.64%
<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	26,180	26,184
Balance with the Reserve Bank of Fiji	-	-
Receivables due from other financial institutions	-	-
Securities held	9,501	9,502
Loans (including advances to customers and similar facilities)	106,309	105,667
Provision for doubtful debts	(5,069)	(6,081)
Fixed assets	3,100	2,647
Asset held for Sale	450	2,630
Intangible Asset	1,061	1,265
Prepayment & Other Receivables	403	310
Total Assets	141,935	142,124
Deposits of Promissory Notes of statutory bodies	-	-
Payables due to other financial institutions	-	-
Deposits and borrowings	100,735	103,649
Amounts owed to other depositors	-	-
Certificates of deposits	-	-
Promissory Notes and other liabilities evidenced by paper	-	-
Other borrowed funds	-	-
Others	6,524	4,459
Issued and paid up or assigned capital	12,000	10,000
Capital reserves	-	-
Revaluation reserves	-	-
General reserves for credit losses	2,255	2,255
Other reserves	-	-
Retained earnings	20,421	21,761

	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	18,753	18,458
Interest and similar expense	(3,894)	(4,099)
Dividend income	-	-
Fee and commission revenue	1,117	1,986
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)	(1,029)	(2,224)
Recoveries of bad and doubtful debts	496	195
General administration expense	-	-
Other operating expense	(5,625)	(5,233)
Net profit/(loss) before tax	9,818	9,083
Net profit/(loss) after tax	7,860	7,232

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