



MERCHANT FINANCE LTD

SUMMARY KEY DISCLOSURE STATEMENT for the financial year ended 30 June 2017

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 Limited.

Corporate Information

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

Chairman	Sanjit Bhai Patel (Appointed - 13/02/17)
Members	Isikeli Tuituku (Appointed - 10/09/14, Resigned - 19/10/16) Nouzab Fareed (Appointed - 19/05/10) Arun Narsey (Appointed - 19/10/15) Sunil Sharma (Appointed - 13/02/17) Mereoni Matavou (Appointed - 13/02/17) Robin Yarrow (Appointed - 10/09/14, Resigned - 23/11/16) Joe Taoi (Appointed - 10/09/14, Resigned - 23/11/16) Emitai Boladuadua (Appointed - 10/09/14, Resigned - 23/11/16) Viliame Naupoto (Appointed - 19/10/15, Resigned - 19/10/16)

	Audited Current Year	Audited Prior Period
Profitability		
<input checked="" type="checkbox"/> Net operating profit/(loss) after tax (\$'000)	3,891	7,536
<input checked="" type="checkbox"/> As a percentage of average total assets	2.38%	5.13%
Size - as at end of financial year		
<input checked="" type="checkbox"/> Total assets (\$'000)	165,539	161,463
<input checked="" type="checkbox"/> The percentage change in total assets over 12 months	2.52%	22.08%
Capital Adequacy - as at end of financial year		
<input checked="" type="checkbox"/> Tier 1 Capital (\$'000)	29,434	30,317
<input checked="" type="checkbox"/> Tier 1 capital to total risk-weighted assets ratio	21.33%	22.20%
<input checked="" type="checkbox"/> Total Capital (\$'000)	31,508	32,824
<input checked="" type="checkbox"/> Capital adequacy ratio	22.83%	24.04%

	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)	16,653	12,712
<input checked="" type="checkbox"/> As a percentage of total assets	10.06%	7.87%
<input checked="" type="checkbox"/> Total individually assessed provisions (\$'000)	2,687	1,127
<input checked="" type="checkbox"/> Total collectively assessed provisions (\$'000)	2,785	2,944
<input checked="" type="checkbox"/> Total provisions as a percentage of total impaired assets	32.86%	32.02%
<input checked="" type="checkbox"/> General reserves for credit losses (\$'000)	2,876	2,876

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	-	-
<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)	-	-
<input checked="" type="checkbox"/> As a percentage of total capital	0.00%	0.00%
<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		
	(\$'000)	(\$'000)
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	5,218	4,788
Balance with the Reserve Bank of Fiji	-	-
Receivables due from other financial institutions	-	-
Securities held	-	-
Loans (including advances to customers and similar facilities)	135,755	133,299
Provision for doubtful debts	(5,472)	(4,071)
Fixed assets	2,666	2,987
Asset held for Sale	1,416	1,416
Available for sale financial assets	21,533	19,552
Investment Property	2,150	2,061
Intangible Asset	1,195	921
Prepayment & Other Receivables	1,078	510
Total Assets	165,539	161,463
Deposits of Promissory Notes of statutory bodies	-	-
Payables due to other financial institutions	-	-
Deposits and borrowings	124,005	118,131
Amounts owed to other depositors	-	-
Certificates of deposits	-	-
Promissory Notes and other liabilities evidenced by paper	-	-
Other borrowed funds	-	-
Others	7,254	8,418
Issued and paid up or assigned capital	30,000	28,500
Capital reserves	-	-
Revaluation reserves	775	800
General reserves for credit losses	2,876	2,876
Other reserves	-	-
Retained earnings	629	2,738


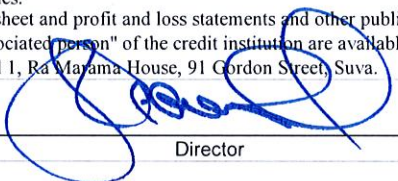

	Audited Current Year	Audited Prior Period
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Income Statement

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	21,675	20,209
Interest and similar expense	(5,393)	(4,273)
Dividend income	-	-
Fee and commission revenue	898	959
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	116	-
Bad and doubtful debts (including provisions for impairment)	(6,383)	(1,663)
Recoveries of bad and doubtful debts	304	261
General administration expense	-	-
Other operating expense	(6,315)	(6,093)
Net profit/(loss) before tax	4,902	9,400
Net profit/(loss) after tax	3,891	7,536

Availability of Disclosure Statements

- Merchant Finance Limited's most recent Key Disclosure Statement is available at all Merchant Finance Limited branches.
- Merchant Finance Limited's most recent General Disclosure Statement is available at all Merchant Finance Limited 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
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