



# MERCHANT FINANCE LTD

## SUMMARY KEY DISCLOSURE STATEMENT for the financial year ended 30 June 2018

### 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. 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 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** Nouzab Fareed (Appointed - 19/05/10)  
 Arun Narsey (Appointed - 19/10/15)  
 Sunil Sharma (Appointed - 13/02/17)  
 Mereoni Matavou (Appointed - 13/02/17)

	Audited Current Year	Audited Prior Period
<b>Profitability</b>		
<input checked="" type="checkbox"/> Net operating profit/(loss) after tax (\$'000)	6,795	3,891
<input checked="" type="checkbox"/> As a percentage of average total assets	4.11%	2.38%
<b>Size - as at end of financial year</b>		
<input checked="" type="checkbox"/> Total assets (\$'000)	165,167	165,539
<input checked="" type="checkbox"/> The percentage change in total assets over 12 months	(0.22%)	2.52%
<b>Capital Adequacy - as at end of financial year</b>		
<input checked="" type="checkbox"/> Tier 1 Capital (\$'000)	30,771	29,434
<input checked="" type="checkbox"/> Tier 1 capital to total risk-weighted assets ratio	21.81%	21.33%
<input checked="" type="checkbox"/> Total Capital (\$'000)	32,534	31,508
<input checked="" type="checkbox"/> Capital adequacy ratio	23.06%	22.83%

	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)	14,099	16,653
<input checked="" type="checkbox"/> As a percentage of total assets	8.54%	10.06%
<input checked="" type="checkbox"/> Total individually assessed provisions (\$'000)	4,429	2,687
<input checked="" type="checkbox"/> Total collectively assessed provisions (\$'000)	2,664	2,785
<input checked="" type="checkbox"/> Total provisions as a percentage of total impaired assets	50.31%	32.86%
<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%

<b>Balance Sheet</b>		
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	4,894	5,218
Balance with the Reserve Bank of Fiji	-	-
Receivables due from other financial institutions	-	-
Securities held	17,050	-
Loans (including advances to customers and similar facilities)	140,250	135,755
Provision for doubtful debts	(7,093)	(5,472)
Fixed Asset	3,504	2,666
Asset held for Sale	-	1,416
Available for sale financial assets	-	21,533
Investment Property	4,695	2,150
Intangible Asset	1,280	1,195
Prepayment & Other Receivables	587	1,078
<b>Total Assets</b>	<b>165,167</b>	<b>165,539</b>
Deposits of Promissory Notes of statutory bodies	-	-
Payables due to other financial institutions	-	-
Deposits and borrowings	122,613	124,005
Amounts owed to other depositors	-	-
Certificates of deposits	-	-
Promissory Notes and other liabilities evidenced by paper	-	-
Other borrowed funds	-	-
Others	7,627	7,254
Issued and paid up or assigned capital	30,000	30,000
Capital reserves	-	-
Revaluation reserves	-	775
General reserves for credit losses	2,876	2,876
Other reserves	-	-
<b>Retained earnings</b>	<b>2,051</b>	<b>629</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:

	(\$'000)	(\$'000)
Interest and similar income	20,759	21,675
Interest and similar expense	(5,319)	(5,393)
Dividend income	-	-
Fee and commission revenue	573	898
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	1,270	116
Bad and doubtful debts (including provisions for impairment)	(2,172)	(6,383)
Recoveries of bad and doubtful debts	118	304
General administration expense	-	-
Other operating expense	(6,708)	(6,315)
Net profit/(loss) before tax	8,521	4,902
Net profit/(loss) after tax	6,795	3,891

**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 at Level 1, Ra Marama House, 91 Gordon Street, Suva.

 _____ Director	 _____ Director	 _____ Auditor
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