



MERCHANT FINANCE LTD

SUMMARY KEY DISCLOSURE STATEMENT for the financial year ended 30 June 2016

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	Isikeli Tuituku (Appointed - 10/09/14)
Members	Nouzab Fareed (Appointed - 19/05/10) Robin Yarrow (Appointed - 10/09/14) Joe Taoi (Appointed - 10/09/14) Emitai Boladuadua (Appointed - 10/09/14) Viliame Naupoto (Appointed - 19/10/15) Arun Narsey (Appointed - 19/10/15) Elenoa Lalabalavu (Appointed - 03/09/13, Resigned - 19/10/15) Sowani Tuidrola (Alternate Appointed 03/09/13, Resigned - 19/10/15)

	Audited Current Year	Audited Prior Period
Profitability		
<input checked="" type="checkbox"/> Net operating profit/(loss) after tax (\$'000)	7,536	8,070
<input checked="" type="checkbox"/> As a percentage of average total assets	5.13%	5.89%
Size - as at end of financial year		
<input checked="" type="checkbox"/> Total assets (\$'000)	161,463	132,258
<input checked="" type="checkbox"/> The percentage change in total assets over 12 months	22.08%	(6.82%)
Capital Adequacy - as at end of financial year		
<input checked="" type="checkbox"/> Tier 1 Capital (\$'000)	30,317	30,257
<input checked="" type="checkbox"/> Tier 1 capital to total risk-weighted assets ratio	22.20%	27.53%
<input checked="" type="checkbox"/> Total Capital (\$'000)	32,824	31,631
<input checked="" type="checkbox"/> Capital adequacy ratio	24.04%	28.78%

	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)	12,712	14,142
<input checked="" type="checkbox"/> As a percentage of total assets	7.87%	10.69%
<input checked="" type="checkbox"/> Total individually assessed provisions (\$'000)	1,127	2,032
<input checked="" type="checkbox"/> Total collectively assessed provisions (\$'000)	2,944	2,215
<input checked="" type="checkbox"/> Total provisions as a percentage of total impaired assets	32.02%	30.03%
<input checked="" type="checkbox"/> General reserves for credit losses (\$'000)	2,876	2,876

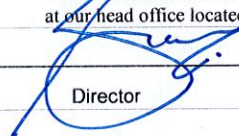
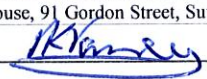

Peak Credit Exposure Concentrations - number of counterparties or groups of closely-related counterparties in relation to the total capital of the credit institution		
<input checked="" type="checkbox"/> 10% to 20% of total capital	-	-
<input checked="" type="checkbox"/> 20% to 25% of total capital	-	-
<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		
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	4,788	5,422
Balance with the Reserve Bank of Fiji	-	-
Receivables due from other financial institutions	-	-
Securities held	-	20,753
Loans (including advances to customers and similar facilities)	133,299	105,623
Provision for doubtful debts	(4,071)	(4,247)
Fixed assets	2,987	2,911
Asset held for Sale	1,416	450
Available for sale financial assets	19,552	-
Investment Property	2,061	-
Intangible Asset	921	913
Prepayment & Other Receivables	510	433
Total Assets	161,463	132,258
Deposits of Promissory Notes of statutory bodies	-	-
Payables due to other financial institutions	-	-
Deposits and borrowings	118,131	90,013
Amounts owed to other depositors	-	-
Certificates of deposits	-	-
Promissory Notes and other liabilities evidenced by paper	-	-
Other borrowed funds	-	-
Others	8,418	8,199
Issued and paid up or assigned capital	28,500	26,500
Capital reserves	-	-
Revaluation reserves	800	-
General reserves for credit losses	2,876	2,876
Other reserves	-	-
Retained earnings	2,738	4,670

	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	20,209	18,904
Interest and similar expense	(4,273)	(3,401)
Dividend income	-	-
Fee and commission revenue	959	640
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)	(1,663)	(821)
Recoveries of bad and doubtful debts	261	209
General administration expense	-	-
Other operating expense	(6,093)	(5,507)
Net profit/(loss) before tax	9,400	10,024
Net profit/(loss) after tax	7,536	8,070

Availability of Disclosure Statements	
<input checked="" type="checkbox"/>	Merchant Finance Limited's most recent Key Disclosure Statement is available at all Merchant Finance Limited branches.
<input checked="" type="checkbox"/>	Merchant Finance Limited's most recent General Disclosure Statement is available at all Merchant Finance Limited branches.
<input checked="" type="checkbox"/>	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