

Fiji Public Trustee
Corporation Limited

ANNUAL REPORT



Our Services

Estate Administration, Trustee Services: Disability Trusts, Compensation Trusts, Testamentary Trusts, Superannuation minor Trusts, Will Drafting, Power of Attorney, Property Transfer, Deed Poll, Deed of Family Arrangements and other legal services.



2014

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Chairman's Report

When the audited financial statements show a positive result, the Chairman's report needs to say very little.

The Fiji Public Trustee Corporation Limited has continued on the path of being a successful, and viable operation. Over the last nine years, FPTCL has proved that given appropriate legislation, guidance, leadership and encouragement together with proper processes and procedures being put in place from the beginning, government departments can be successfully corporatised.

The move to the new headquarters in Amy Street, and being recognised in the NTPC Business Excellence Awards were the highlights of the year.

My Board colleagues, senior management and other staff have all worked tirelessly and as a cohesive team to achieve the pleasing results shown in the financials.

As FPTCL approaches its 10th year of operation, we do so with confidence that we can continue to fulfill the role expected of us by our stakeholders. We know that we will have to face many old and new challenges, but the unique and strong team spirit that exists within our organisation is well placed to meet and overcome these.

Ikbāl Jannif
Chairman

Chief Executive Officer's Report

The year 2014 was another challenging year for the Corporation managing its operations through changes in legislations that effect our operations, the retirement of our senior and experienced staff and the implementation of new services, which required a lot of training and development of staff based on performance and in building business excellence.

We are pleased to advise that despite these challenges the Corporation continue its profitable trend through its self-funding operations for the ninth year since corporatization.

The year also marks the third year of operations under the Strategic Plan 2012-2014, which is aligned with Government's "Strategic Framework for Change for pillars 4, 8 and 9".

The Corporation reported an operating profit after tax of \$371,877 compared to \$353,788 in 2013 (an increase of 5%). However, the net profit for the year, including other comprehensive income, was \$709,737 after revaluing corporation's investments.

In the last two years, the Corporation had initiated some fundamental changes in our business operations. It worked on identifying new services based on customer demands and on strategic investment initiatives to improve returns on corporation investment funds. This year we were able to launch the new services such as providing assistance to estate administrators and executors and legal conveyance services at reasonable cost to the public. This has enabled us to cushion the effect of the loss in business from administering superannuation trust for minors as of last year.

The investment in acquiring and modernizing Public Trustee House that now accommodates the corporation headquarters at 83 Amy Street, Toorak, Suva will see a savings of 8% per annum in our cost of doing business. It also contributes income from rental and the effect of the new market valuation has contributed an additional \$337,860 as other comprehensive income to the bottom line.

The Public Trustee House was commissioned by the Attorney General and Minister of Public Enterprises - Mr. Aiyaz Sayed Kaiyum on 17th June 2014.

Operational Performance

There was an increase in the value of new estates administered in 2014. There were 57 estates valued at \$3.7M compared to 62 estates valued at \$2.7M in 2013. A total of 168 estates were settled in 2014 compared to 55 in 2013. There were a total of 298 estates valued at \$19.6M under administration in 2014 compared to 266 estates valued at \$14.8M in 2013. Estate values under administration are determined by recent valuations as part of the administration process.

There were 306 wills drawn in 2014 compared to 270 in 2013 for those registered with the corporation.

Twelve of the Estates settled last year were opened in the last 20 plus years, by the old Public Trustee Office. The delays ranged from lack of response and commitment from the beneficiaries to the bureaucratic processes amongst various stakeholders involved in the administration of an estate. The Dormant File Team was able to revive some of these old estates and closed-off those that have been distributed and settled.

Operational Performance – Con't

Our Trust administration section currently administers 9,821 trust accounts valued over \$19.4M from various trusts such as FNPF minor trust funds, Compensation funds, disability trusts and testamentary trusts for minors appointed through will. In 2014 we received 205 new trusts valued at \$281K and settled 555 trusts valued at \$2.7M to those that have attained majority age and those that have closed their trust accounts.

The Legal services continue to provide support services, i.e. attending to court matters, dealing with compliance issues, and further training and development of staff on legislative changes and case laws as part of our knowledge management.

We engage effectively with the public through our awareness campaigns on the importance of “Wills” through public presentations, radio, television talk back shows and website queries continue to be our major forms of marketing. The team also attended a number of public expo's and invitations for “Wills” awareness presentations to various organizations, civil society and community groups.

It was encouraging to see the increase in the number of wills drafted and queries received from the public during the year.

Our commitment in striving towards business excellence was recognized this year and we have entered the corporation into the Fiji Business Excellence Awards again in 2015.

Looking Ahead

Our aim is to continue building an entity that is financially sustainable in providing the people of Fiji with professional and reliable estate and trustee services at no cost to government.

We focus our strategies on our customer services, our people, our business and in strengthening relationships with our stakeholders. Interacting and understanding customers at a personal level and addressing their changing needs will give us the competitive edge in the market with the continuous growth in our portfolio. Likewise, training and developing our staff is the key to achieving our mission of being the experts and professionals in our business. We are reviewing our business processes to manage risk issues in the business and improve efficiency in our operations. The corporation will also be investing in the IT system, which includes the upgrading of our server and the proposed review and enhancement of the TrustSoft software system and the Corporation's website.

We will continue to identify and introduce new services that complement our core business, and strategically invest to sustain income growth.

I would like to thank the Directors and our hard working staff for the achievements for another successful year 2014.

Atonio Takala
Chief Executive Officer

Members of the Board of Directors



Mr. Ikbal **Jannif** - Chairman

Mr. Jannif is the Managing Director and CEO of Caines Jannif Limited. He has served on the Boards of the Reserve Bank of Fiji and FRCA. He had been a Fiji Government representative on the Council of the University of the South Pacific until June 2012 and is currently its Chairman and Pro Chancellor. He has also served on the Council of the Fiji National University, and was Chairman of its Executive Committee. He was awarded the Officer of the Order of Fiji medal in 1998 for service to the community. He is a Justice of the Peace.



Mr. Carl N **Cameron** -Director

Mr. Ngamoki-Cameron is a member of the Institute of Directors in NZ and is a commercial, litigation and dispute resolution lawyer, business consultant and professional director. He has several years of experience as a director and board chairman.



Mrs. Sera B **Nicholls** - Director

Mrs. Nicholls is the Managing Director of Plumbing & Property Services Ltd and Chairperson for Food Processors (Fiji) Ltd. She has also worked in the banking sector.

Management Team



Mr. Atonio **Takala**
Chief Executive Officer

He joined FPTCL in November 2008 as the Manager Finance and Administration and was appointed Chief Executive Officer in August 2013. Mr. Takala holds an MBA and B.Com from USP and he is an associate of the Society of Trust & Estates Practitioners of NZ and a member of the Fiji Institute of Accountants. Prior to joining FPTCL, he was employed with various organizations and Accounting firms. He is also a Commissioner for Oaths for the High Court of Fiji.



Mr. Abhisakh **Kumar**
Manager Finance & Admin

Mr. Kumar was appointed Manager Finance & Administration in May 2013. Mr. Kumar holds a BA degree and a MBA from USP. He is also a member of the CFA charter and has done Securities Licensing exam as well from RBF. He is also a member of IA. Prior to Joining FPTCL, he was employed with various organizations like UTOF, Commerce Commission, Prices and Income Board and held key positions in the areas of Finance, Investment and Administration. He is also the company secretary.



Mr. Abdul **Kamil**
Manager Estates & Trust

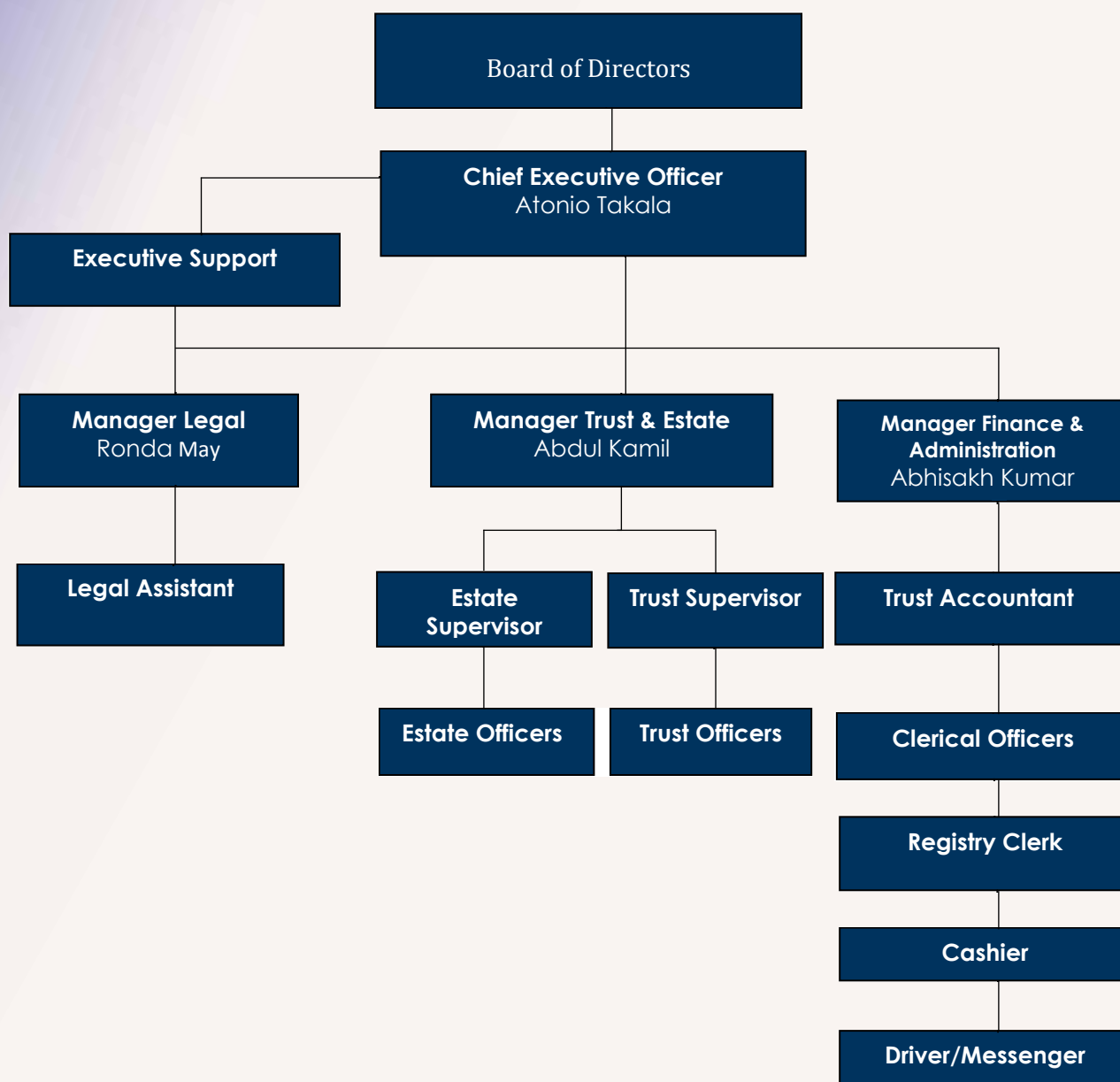
He was part of the staff that transferred from the Public Trustee Office in April 2006. He has been part of the civil service since 1993 and has worked in Titles Office, Births, Death & Marriage section, AG's office and Official Receiver within the Ministry of Justice. He is the Estates Supervisor and currently acting as Manager Estates & Trust. His long and varied experience has been very useful in mentoring new recruits to FPTCL.



Mrs. Ronda **May**
Manager Legal

She joined FPTCL in September 2014 and holds a LLB Degree, PDLP, and PGC-DIA from USP. Prior to joining FPTCL, she was employed as a Legal Officer at the Land Transport Authority and has worked with various Law firms in the past.

Organisation Chart



“Creating a Conducive Workforce Culture”

The Corporation in 2013 and 2014 implemented a number of human resources reform in our journey to achieve a workforce that is robust and conducive to change. This included:

- *Performance Management System implemented in 2012;*
- *Continuous training of staff both internally and formal external training with various institution;*
- *A mentoring programme in 2013 to train junior Estate and Trust Officers prior to the retirement of four senior officers early last year;*
- *Salary Structure submission/market salary alignment made in 2014 to the Ministry;*
- *Emphasis on internal promotion and succession planning for the organisation;*
- *Creating a healthy, safety and spacious working environment.*

Our Vision and Mission

Our Purpose

To provide professional and accessible service as required und the Act. The company's major business activities are as follows:

- a) Administration of deceased Estate;
- b) Trustee Services;
- c) Will Making;
- d) Power of Attorney;
- e) Other Legal Services;

Our Vision

To be Fiji's leading and preferred provider of estates administration and trustee services.

Our Mission

Provide efficient and effective services in a professional manner accessible to the people of Fiji.

Our Values

We practice our values in our business dealings as reflected below:

- a) **Customer Service**
Provide timely and accurate information;

Implement suggestion from customers on how better we can serve them;
- b) **Professionalism**

We will discharge our duties with integrity, providing quality service and being reliable and responsible.
- c) **Honesty**

Being open and honest in all our dealings and maintaining the highest integrity at all times;
- d) **Timeliness**

We will show a commitment towards creating and meeting realistic deadlines.
- e) **Our People**

We value training, developing, maintaining and rewarding our people.



Achievements against our Strategic Plan 2012 - 2014

Our Strategic Plan outlines the shared Vision, Mission, Key Strategies and Values. In 2014, the Corporation achieved the following:

Key Strategy. 1 - Our Customer Services

The corporation operates in a competitive environment with the challenge to meeting customer's changing demands and win customer loyalty for our survival.

Strategic Objectives	Achievements
Establish a customer service section within the Corporation;	Staff training on customer services are ongoing and the implementation of customer services functions within the Trust Section is on track. Customer Service policies are in place and number of complaints reduced.
Better communication of information with customers on a timely basis;	There was increased number of positive feedback from customers on our services and this is also reflected in improved results from operations.
Continuous review and improvement of our business operational processes to meet customers changing demands	All internal processes are currently being reviewed to ensure efficiency and effectiveness in all areas of operations.
Foster an environment where complaints from any source lead to service improvement;	A complaints process is currently in place within the organization and saw a reduction in complaints by 50%, solved 98% and 2% still in progress;
Improve access services from customers from diverse multicultural backgrounds;	Whilst the majority of our clients are represented by the two major ethnic groups & cultures in Fiji, we have also seen other minority groups accessing our services;
Work on clearing dormant files from the old Public Trustee office.	The Dormant file team cleared 3862 files in 2014 with 695 files reactivated and 3,167 files closed.

Key Strategy 2 – Our People

Our people play a major role in the success of our business. Thus recruiting, training and developing a skilled workforce is paramount. We will work on these strategies to enhance expertise and professionalism amongst our staff.

Strategy	Achievement
Train and develop staff that they may acquire the skills and expertise to do their job well;	Training provided in the areas of quality management, customer services, and other training to developing management skills and commercial focus have been ongoing. The Corporation encourages formal training by staff for higher qualification and internal technical skills training.
Focus on the transfer of work and corporate knowledge amongst staff;	Internal mentoring of junior staff by senior staff especially in the core-business area was introduced and succession planning in place.
Finalize internal staff reorganization, employment contracts and terms and conditions;	Staff master collective was finalized and staff now with employment contracts.
Create opportunities for advancement and encourage internal promotion as first priority;	Staff succession planning process is in progress with internal promotion and advancement of staff to managerial positions.
Create a safe and healthy work environment.	The new Office building complied with all the OHS and other statutory requirements. It has provided a safe and conducive environment for staff and customers and the safe-custody of our legal documents. Similarly our branch offices are OHS compliant.

Key Strategy. 3 - Our Business

The Corporation will need to develop and improve a business model that would deliver the most effective services to our customers and the financial sustainability of the entity.

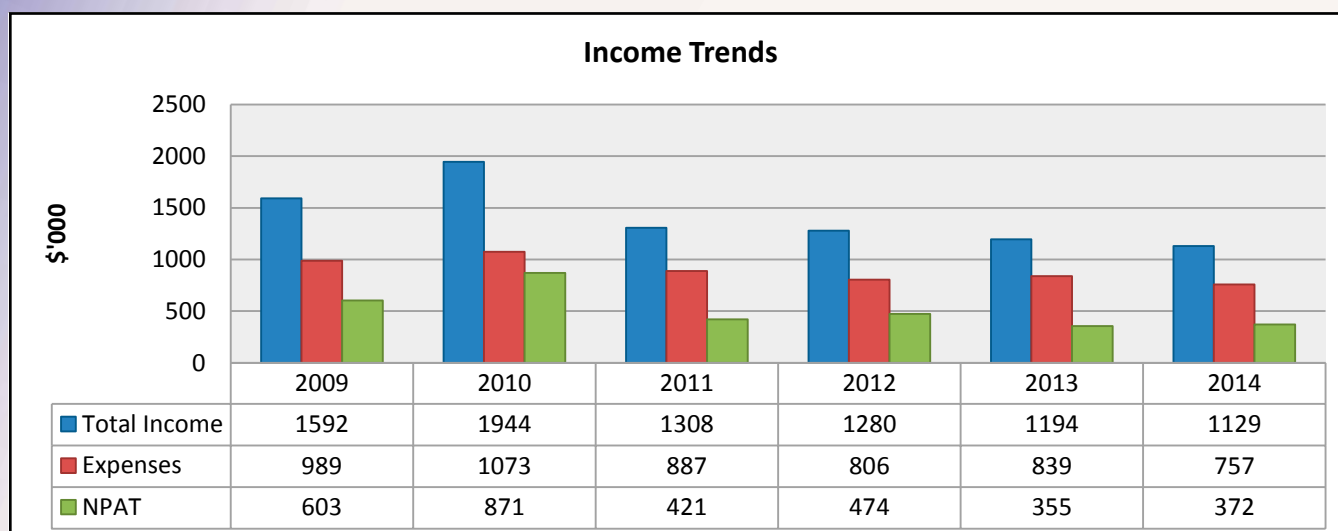
Strategy	Achievements
Implement and promote new Services and business initiatives that would support and complement our core-business;	New services were introduced in 2014, which includes executor assistance services and a number of legal conveyance work.
Identify strategic investment opportunities for the corporation on our investments;	A legal review of our investment parameters have been carried out and new investment opportunities identified to improve returns. Our investment in the new HQ building at Toorak, Suva has immediately shown positive results in our financial performance in 2014.
Improve Business systems and processes with increased productivity in all areas of our business;	Turnaround time in a number of processes has improved resulting in increased productivity by 5% in those areas.
Strategic Marketing of our services and more public awareness programs;	The desired outcome would be to increase new clients by 5% and new Wills registered by 10%.
Enhance TrustSoft system and refurbish other IT hardware and software system in place.	The TrustSoft system is currently being reviewed for enhancement after 7 years and other IT systems to improve efficiency in the work place with set policies.
Recognition of business excellence in the Fiji Business Excellence Awards.	In 2014 the corporation was recognised for commitment towards business excellence and aiming for achievement/prize in 2015.

Key Strategy 4 - Our Partners & Stakeholders

Our stakeholders play an important role in our daily operations and we will need to continue to build on the need to strengthen our business relationships with them, this includes government and non-governmental agencies and business partners. Better understanding and firm, good working relationships, improve efficiency and turn around in our administration and trustee work.

Strategy	Achievement
Foster and strengthen business relationships with stakeholders and other agencies;	Work is ongoing to secure MOU's with key stakeholders for the successful development of better working relationships. Continuous consultation, discussions and groundwork are being carried out with a number of organisations.
Continue to strengthen engagement with the Ministry of Justice & High Court;	Attempts are being made to re-establish our role and professional relationship amongst the Judiciary & AG's office;
Explore membership and affiliation to professional bodies;	FPTCL management are now members of Society of Trust & Estate Practitioners and work are ongoing to increase in high value customers and recognition for best practices;
Commit to our Corporate Social Responsibility and establish our presence in the community.	We will be working to identify and participate in at least two community programmes a year,

Operations Performance



The Corporation is self-funded through fees and charges from its operations and does not receive any grant or subsidy from government.

In 2014, Fees & Charges from core-business declined by 5%, whilst income from investments increased by 2% resulting in total income of \$1.13m in 2014 compared to \$1.19m in 2013.

Fees and charges were affected by the loss of fees on invalid FNPf nominee funds now directly administered by the High Court. Investments of both Corporation and Trust Funds are held in term deposits, bonds and in managed funds.

The Corporation is continuing to pursue other income sources through the introduction of other services that complements our core business, especially those that are currently being demanded by customers.

Fees & charges/Interest Earned on FPTCL Funds/Interest Earned from Trust Funds

	Fees & Charges	Interest from FPTCL Investments	Interest on Trust Funds	
			Total Distributed to Beneficiaries	Mgt Fees
2009	\$785,293	\$768,319	\$1,072,000	\$53,600
2010	\$815,807	\$1,032,584	\$1,800,000	\$90,000
2011	\$639,832	\$605,633	\$1,317,933	\$65,897
2012	\$683,897	\$435,657	\$1,076,127	\$53,806
2013	\$655,664	\$408,498	\$987,949	\$49,397
2014	\$580,285	\$493,252	\$859,814	\$42,991



Statement of Comprehensive Income

The FPTCL is totally self-funded and does not receive grants from government.

Fees & Charges increased at an average rate of 34% from incorporation till the year 2010. This is attributed by the introduction of the new fees and charges and the efficient capturing of income through the new IT systems. However, from 2011 the loss in the administration of FNPF nominee funds and reduction on interest from investments resulted in similar decreases.

Interest income from investment saw an average increase of 19% that largely was determined by the market interest rates and judicious management of the investment portfolio to 2010. Whilst higher returns are always desired, prudence is paramount to the corporation when dealing with trust funds.

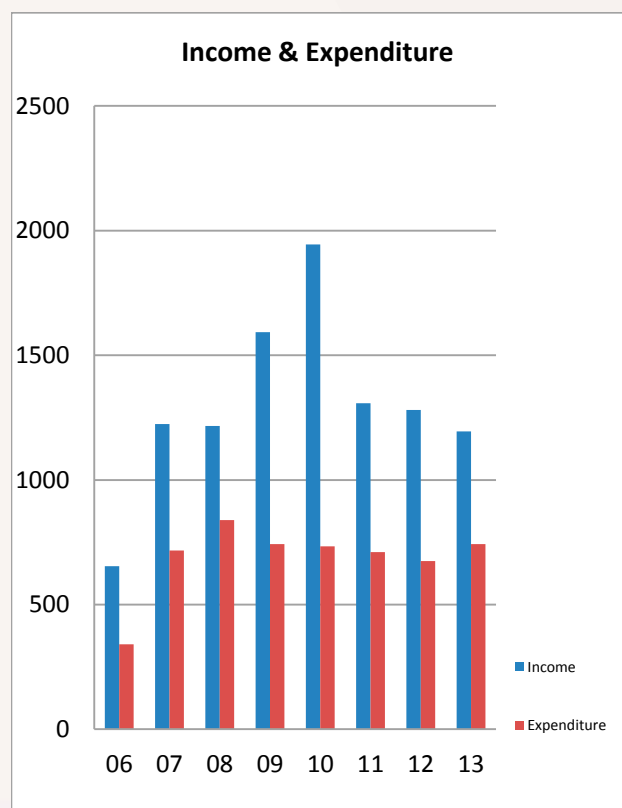
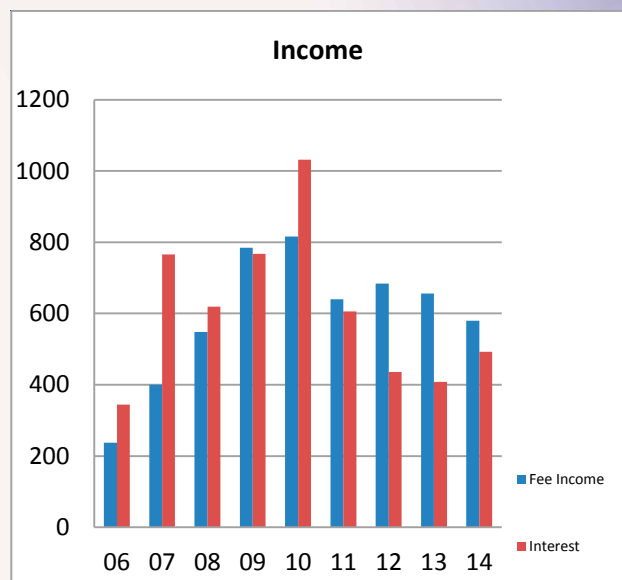
The FPTCL has been profitable since incorporation with a Net profit after taxes of \$371K was recorded in 2014 and \$709K including comprehensive income.

Major financial achievements over the years were:

- Paid \$2.5M from Capital Reserves to government;
- Paid \$0.5M in dividend to Government.
- Paid over \$2.2M in income taxes and other statutory taxes;
- Distributed over \$8M in interest to beneficiaries of

Estates & Trust held in our custody since 2006.

The corporation is continuing to innovate and identify new services that complements our core business and at the same time supplements income from Estates & Trust.



Statement of Financial Position

The **assets** of the Corporation as at 31st December 2014 comprise of the following:

Financial Assets	57%
Cash & Cash Equivalents	16%
Receivables	5%
Property, Plant & Equipment	20%
Other Assets	2%

Total Assets increased by 6% in 2014 compared to an increase of 4.56% in 2013. Over the last 5 years, Total Assets have increased by 18.6% and net assets increased by 24.8%.

The **liabilities** of the Corporation as at 31st December 2014 comprise of the following:

Deferred Income	0%
Trade & Other Payables	1%
Provisions	99%

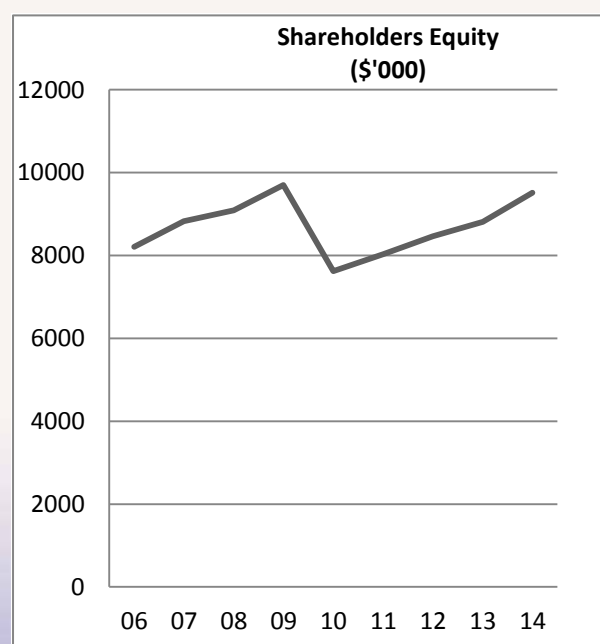
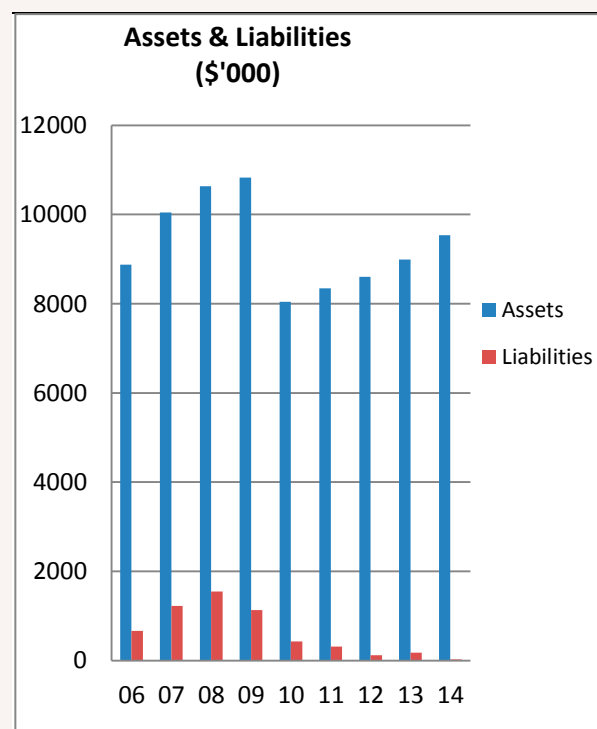
The initial **liabilities** included the values represented in the trust and estate files inherited from the PTO and the startup costs. Liabilities increased on average by 3% and began to drop in 2009 after the audit and payment of trust & estates debts.

The **Shareholders Equity** of the Corporation as at 31st December 2014 comprise of the following:

Share Capital	1%
Capital Reserve	60%
Revaluation Reserve	3%
Retained Earnings	36%

In 2014, the Corporation equity position increased by 8% compared to 4.2% in 2013. Since 2010, the total share capital of the Corporation has increased by 24.8%.

Cash flow and Liquidity continue to be favorable, improving the solvency status of the corporation.



Estates Administration

The FPTCL provides Executor and Administration services for the distribution of deceased person's estate. A one-stop shop in dealing with the Estate from application to High Court, collation of assets, locating beneficiaries, settlement of debts, tax clearances, transfer of property and distribution of Assets.

The FPTCL administers estates where:

- there is a "Will" appointing the Fiji Public Trustee as Executor;
- there is no Will and the beneficiaries or close relatives appoints Fiji Public Trustee;
- an existing executor is unable to fulfill the task and renounces it in favour of Fiji Public Trustee;
- Fiji Public Trustee is appointed by the High Court to administer;

In 2014, the section opened 57 estates valued at \$3.7M an increase of \$1M from 2013 and settled and finalized 168 estates compared to 55 in 2013. In the year, some long outstanding estates back dating 20 to 30 years were also settled and finalized. There are over 298 estates on hand as at 31 December 2014 with a total value of \$19.6M

Other Services

In 2014, the corporation introduced "Other services" as new services provided to the people of Fiji that complements our core business, which includes:

- Executor assistance services;
- Power of Attorney;
- Transfer of Property;
- Legal conveyance work

The new services were introduced after collaboration and further research work by staff from the legal, estates, and trust and finance sections.

Movement in Estates for the last 6 years

	2009	2010	2011	2012	2013	2014
New Estates	46	52	47	45	62	57
Value of New Estates	\$1.8M	\$3.6M	\$3M	\$2.1M	\$2.7M	\$3.7M
Estates Settled & Closed	25	31	26	25	55	168

Trust Administration Services

The Trust Section deals with Trust Administration services such as the FNPF/Superannuation trust for minors, testamentary trusts through will; compensation trusts by appointment of court or individuals, disability trusts and living trusts. Like any trustee, the FPTCL must protect trust assets and ensure they are managed and administered appropriately as per the conditions of the as per the Act for minors and people of unsound mind.

The FPTCL's duties as trustee are to:

- ❖ hold and protect trust funds;
- ❖ invest the funds during the term of the trust;
- ❖ make appropriate disbursements from the trust;
- ❖ Pay out the funds to the beneficiary at majority age or as per the conditions of the Trust.

In 2013, the total number of new trusts dropped mainly from FNPF minor trust, which is now administered by the High Court through the changes in the FNPF Decree. The Corporation has since made applications to court on case-by-case basis to assist minors who still prefers our services for the administration of their trust funds. We are also working to offer other trust services based on customers demand such as personal management services to help people manage their financial and property matters and the administrations of the affairs of the elderly.

Our Finance & Administration Section supervised by the Board of directors manages the investment of trust funds through the FPTCL-Trust common pooled funds. All investments are administered within an investment policy governed by the Fiji Public Trustee Corporation Act & the Trustee Act of Fiji.

The Fiji Public Trustee also provides quasi-judicial roles through high court orders under the various Acts of Fiji including the Trustee Act, Succession, Probate & Administration Act, Mental

Trust Funds Movement in the last 6 years

	2009	2010	2011	2012	2013	2014
No. of Trust A/C on Hand	11,910	12,122	11,860	12,436	10,171	9,821
Value of Trusts	\$23.9M	\$27.2M	\$25.2M	\$25.0M	\$21.7M	\$19.4M



FIJI PUBLIC TRUSTEE CORPORATION LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2014

FIJI PUBLIC TRUSTEE CORPORATION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

In accordance with a resolution of the Board of Directors, the directors herewith submit the statement of financial position of the Fiji Public Trustee Corporation Limited ("the corporation") as at 31 December 2014, the related statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and report as follows:

Directors

The names of directors in office at the date to which this report refers are:

Mr. Ikbāl [annif (Chairman)
Mr. Carl Ngamoki Cameron
Ms. Berny Nicholls

Principal Activities

The principal activity of the corporation in the course of the financial year was to act as custodians and provide administrative services to estates of those persons who are deceased, of unsound mind or persons incapable of conducting their own affairs.

Results

The Net operating profit for the year was \$709,737 (2013: \$353,788) after providing \$72,386 (2013: \$97,327) for income tax.

Dividends

The Directors recommend that no dividends be declared or paid for the year. -

Reserves

The directors recommended that no transfer be made to reserves within the meaning of the Seventh Schedule of Companies Act, 1983.

Bad and Doubtful Debts

The directors took reasonable steps before the financial statements were made out to ascertain that all known bad debts were written off and adequate provision was made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render the amount written off for bad debts, or the amount of the provision for doubtful debts, inadequate to any substantial extent.

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014

Non-Current Assets

Prior to the completion of the financial statements of the corporation, the directors took reasonable steps to ascertain whether any non-current assets were unlikely to be realised in the ordinary course of business compared to their values as shown in the accounting records of the corporation. Where necessary these assets have been written down or adequate provision has been made to bring the values of such assets to an amount that they might be expected to realise.

As at the date of this report, the directors are not aware of any circumstances, which would render the values attributed to non-current assets in the corporation's financial statements misleading.

Related Party Transactions

In the opinion of the directors all related party transactions have been adequately recorded in the books of the Corporation.

Other Circumstances

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements which would render any amounts stated in the financial statements misleading.

Unusual Transactions

Apart from these matters and other matters specifically referred to in the financial statements, in the opinion of the directors, the results of the operations of the corporation during the financial year were not substantially affected by any item, transaction or event of a material unusual nature, nor has there arisen between the end of the financial year and the date of this report any item, transaction or event of a material unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the corporation in the current financial year, other than those reflected in the financial statements.

Events Subsequent To Balance Date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Corporation, to affect significantly the operations and the results of those operations, or the state of affairs of the Corporation in subsequent financial years.

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014

Other Circumstances

As at the date of this report:

- i. no charge on the assets of the corporation has been given since the end of the financial year to secure the liabilities of any other person;
- ii. no contingent liabilities have arisen since the end of the financial year for which the corporation could become liable; and
- iii. no contingent liabilities or other liabilities of the corporation has become or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the corporation to meet its obligations as and when they fall due.

As at the date of this report, the directors are not aware of any circumstances that have arisen, not otherwise dealt with in this report or the corporation's financial statements, which would make adherence to the existing method of valuation of assets or liabilities of the corporation misleading or inappropriate.

Directors' Benefits

No director has received or become entitled to receive a benefit (other than those included in the aggregate amount of emoluments received or due and receivable by directors shown in the financial statements or received as the fixed salary of a full-time employee of the corporation or of a related corporation) by reason of a contract made by the corporation or by a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

For and on behalf of the board and in accordance with a resolution of the directors.

Dated this 29th day of June 2015.



Chairman


Director

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
STATEMENT BY DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2014

In accordance with a resolution of the Board of Directors of Fiji Public Trustee Corporation Limited, we state that in the opinion of the directors:

- i. the accompanying statement of comprehensive income of the corporation is drawn up so as to give a true and fair view of the results of the corporation for the year ended 31 December 2014;
- j. the accompanying statement of changes in equity of the corporation is drawn up so as to give a true and fair view of the changes in equity of the corporation for the year ended 31 December 2014;
- iii. the accompanying statement of financial position of the corporation is drawn up so as to give a true and fair view of the state of affairs of the corporation as at 31 December 2014;
- iv. the accompanying statement of cash flows of the corporation is drawn up so as to give a true and fair view of the cash flows of the corporation for the year ended 31 December 2014
- v. at the date of this statement there are reasonable grounds to believe the corporation will be able to pay its debts as and when they fall due; and
- vi. all related party transactions have been adequately recorded in the books of the corporation.

For and on behalf of the board and in accordance with a resolution of the directors.

Dated this 29th day of **June** 2015.



Chairman



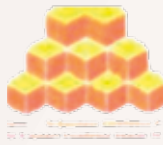
Director

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FII PUBLIC TRUSTEE CORPORATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

INDEPENDENT AUDIT REPORT

I have audited the accompanying financial statements of Fiji Public Trustee Corporation Limited, which comprise the statement of financial position as at 31 December 2014, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information as set out on notes I to 24.

Directors and Management's Responsibility for the Financial Statements

Directors and management are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the requirements of Fiji Public Trustee Corporation Act. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I have conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Audit Opinion

In my opinion:

- a) proper books of account have been kept by the Fiji Public Trustee Corporation Limited, so far as it appears from my examination of those books, and
- b) the accompanying financial statements which have been prepared in accordance with International Financial Reporting Standards:

- i) are in agreement with the books of account; and
- ii) to the best of my information and according to the explanations given to me:
- give a true and fair view of the state of affairs of the Corporation as at 31 December 2014 and of the results, movement in reserves and cash flows of the Corporation for the year ended on that date; and
 - give the information require by the Companies Act 1983 in the manner so required.



Atunaisa Nadakuitavuki
for **AUDITOR GENERAL**



Suva, Fiji
29 June 2015

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	2014	2013
		\$	\$
Fees	3	580,285	655,664
Interest income		493,252	408,498
Aid			2,915
Other income		56,132	126,500
Total Revenue		1,129,669	1,193,577
General and administration expenses	4	221,488	263,884
Selling expenses		23,354	5,633
Staff and employee costs	4	440,564	472,945
Total Expenses		685,406	742,462
Operating profit before income tax		444,263	451,115
Income tax expense	6	72,386	97,327
Operating profit after income tax		371,877	353,788
Other comprehensive income	3	337,860	
Net profit for the year		709,737	353,788

The accompanying notes form an integral part of this statement of comprehensive income.


FIJI PUBLIC TRUSTEE CORPORATION LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

		2014	2013
		\$	\$
Current Assets			
Cash and cash equivalents	5	1,480,354	2,015,587
Trade and other receivables	7	458,443	692,215
Other current assets	8	237,883	287,108
Total Current Assets		2,176,680	2,994,910
Non-Current Assets			
Deferred tax asset	6	2,671	1,856
Financial assets	9	5,451,269	4,864,630
Property, plant and equipment	10	1,909,688	1,133,717
Intangible assets	11		
Total Non-Current Assets		7,363,628	6,000,203
Total Assets		9,540,308	8,995,113
Current Liabilities			
Deferred revenue	12		
Trade payables and Provisions	13	26,209	179,446
Total Current Liabilities		26,209	179,446
Non-Current Liabilities			
Deferred tax liability	6		
Total Non-Current Liabilities			
Total Liabilities		26,209	179,446
Net Assets		9,514,099	8,815,667
Shareholders' Equity			
Share capital	14	2	2
Share premium reserve	14	99,998	99,998
Capital reserve	14	5,679,592	5,690,897
Revaluation reserve	14	337,860	
Retained earnings		3,396,647	3,024,770
Total Shareholders' Equity		9,514,099	8,815,667

The accompanying notes form an integral part of this statement of financial position.

For and on behalf of the board and in accordance with a resolution of the directors.


Chairman


Director

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	2014 \$	2013 \$
Share Capital			
Opening balance		2	2
Issues during the year			
Closing balance		2	2
Reserves			
<i>Share Premium Reserve</i>			
Balance at the beginning of the financial year		99,998	99,998
Balance at the end of the financial year		99,998	99,998
<i>Capital Reserve</i>			
Balance at the beginning of the financial year		5,690,897	5,689,595
Recovery / (Payment) on PrO debts/ cases		(11,305)	1,302
Balance at the end of the financial year		5,679,592	5,690,897
<i>Revaluation Reserve</i>			
Balance at the beginning of the financial year			
Fair value movements - PPE		351,220	
Unrealised gain/ (losses) - Financial Assets		(13,360)	
Balance at the end of the financial year		337,860	
Total Reserves		6,117,452	5,790,897
Retained Earnings			
Opening balance		3,024,770	2,670,982
Net profit after tax for the year		371,877	353,788
Dividend paid			
Closing balance		3,396,647	3,024,770
Total Shareholders' Equity		9,514,099	8,815,667

The accompanying notes form an integral part of this statement of changes in equity.

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 \$	2013 \$
Cash Flows from Operating Activities			
Receipt from customers		877,265	430,837
Payment to suppliers and employees		(789,884)	(701,710)
Interest received		549,384	408,498
Income taxes paid		(100,761)	(77,515)
Net cash provided by operating activities	17	<u>536,004</u>	<u>60,110</u>
Cash Flows from Investing Activities			
Acquisition of property, plant and equipment		(459,935)	(187,127)
Payment for investments		(600,000)	
Net cash (used)/provided by investing activities		(1,059,935)	(187,127)
Cash Flows from Financing Activities			
Recovery / (Payment) on PTO debts/ cases		(11,302)	1,302
Net cash (used by) Financing Activities		<u>(11,302)</u>	<u>1,302</u>
Net increase/ (decrease) in cash		(535,233)	(125,715)
Cash at the beginning of the year		2,015,587	2,141,302
Cash at the end of the year	5	<u>1,480,354</u>	<u>2,015,587</u>

The accompanying notes form an integral part of this statement of cash flows.

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

1. Corporate Information

Fiji Public Trustee Corporation Limited is a limited liability company incorporated and domiciled in Fiji. These financial statements were authorized for issue by the directors on ____ 2015.

The principal activities of the corporation are described in Note 22.

2. Statement of Significant Accounting Policies

Set out below is a summary of the significant accounting policies adopted by the corporation in the preparation of the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of Compliance

The financial statements have been prepared in accordance with the Companies Act, 1983 and International Financial Reporting Standards (IFRS) prescribed by the International Accounting Standards Board.

(a) Basis of Preparation

These financial statements have been prepared under historical cost accounting and do not take into account changing money values or current valuations of non-current assets unless otherwise stated. The financial report is presented in Fiji dollars, which is the Company's functional currency, rounded to the nearest dollar.

(b) Significant Accounting Judgements, Estimates and Assumptions

The preparation of the corporation's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Judgements

In the process of applying the corporation's accounting policies, management has made the following judgement, apart from those involving estimations, which has most significant effect on the amounts recognised in the financial statements:

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

2. Statement of Significant Accounting Policies (continued)

(b) Significant Accounting Judgements, Estimates and Assumptions (Cont'd)

Operating Lease Commitments

The corporation has entered in commercial property leases. The corporation has determined based on an evaluation of the terms and conditions of the arrangements, that it does not retain all the significant risks and rewards of ownership of the property and so accounts for the contracts as operating leases.

Estimations and Key Assumptions

The key assumptions concerning the future and other key sources of estimation uncertain at balance date, that have a significant risk of causing of a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

Impairment of Non-Financial Assets

The corporation assesses whether there are any indicators of impairment for all non- financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

(c) Taxes

Current Income Tax

Current income tax assets and liabilities for the current and prior period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss.

Deferred Income Tax

Deferred income tax is provided using the balance sheet method on temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences, except:

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

2. Statement of Significant Accounting Policies (continued)

(c) Taxes (continued)

- Where the deferred income tax liability arises from goodwill amortisation or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, except where the timing of the reversal of temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

2. Statement of Significant Accounting Policies (continued)

(c) Taxes (continued)

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred income tax relating to items recognised directly in equity is recognised in equity and not in the income statement.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Value Added Tax

Revenue, expenses and assets are recognised net of the amount of Value Added Tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax recognised as part of the acquisition of the asset or as part of the expense item applicable; and
- Receivables and payables are stated with the amount of sales tax included.

(d) Property, plant and equipment

Land and Building Head-quarters situated at Lot 83 Amy Street Toorak, Suva are stated based on the purchase price plus cost of renovation plus increases arising on revaluation and a straight line method of depreciation is used for the same. The Land and Building will be valued every 3 years to recognize the market or fair value.

Subsequent to initial recognition, increases in the carrying amount arising on revaluation are credited to other comprehensive income in the statement of comprehensive income and recorded as revaluation reserve in shareholder's equity. Any decreases will off-set previous increases of the same asset and will be charged against other comprehensive income and revaluation reserves in equity; all other decreases are charged as an expense in the statements of comprehensive income.

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

2. Statement of Significant Accounting Policies (continued)

(d) Property, plant and equipment (Continue)

All other plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Such costs include the cost of replacing part of the property, plant and equipment when that cost is incurred, if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the profit or loss as incurred.

Items of plant and equipment transferred from the former Office of Public Trustee have been fully depreciated. Depreciation is calculated on a straight line method basis so as to write off the net cost of property, plant and equipment during its expected useful life.

Plant and Machinery	12%
Motor Vehicle	18%
Furniture and Fittings	12%
Computers	24%
Building & Improvements	1.25%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognising of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is recognised.

The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year-end.

(e) Inventories

The corporation does not have any major inventories apart from stationeries which have been accounted as expenses. Any item meeting the recognition criteria to be classified as inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

2. Statement of Significant Accounting Policies (continued)

(f) Financial Assets

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

The corporation determines the classification of its financial assets on initial recognition and, where allowed and appropriate, re-evaluates the designation at each financial year end. The corporation's financial assets include cash and short-term deposits, trade and other receivables, loan and other receivables and quoted and unquoted financial instruments.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling them in the near term. Financial assets at fair value through profit and loss are carried in the statement of financial position at fair value with gains or losses recognised in the income statement.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such financial assets are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in the profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity investments are measured at amortised cost using the effective interest method. This method uses an effective interest rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset. Gains and losses are recognised in the profit or loss when the investments are derecognized or impaired, as well as through the amortisation process. The corporation has designated bonds and term deposits with maturity dates of more than three months as held-to-maturity investments.

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

2. Statement of Significant Accounting Policies (continued)

(f) Financial Assets (continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or not classified in any of the three preceding categories. After initial measurement, available-for-sale financial assets are measured at fair value with unrealised gains or losses recognised directly in equity until the investment is derecognised, at which time the cumulative gain or loss recorded in equity is recognised in the profit or loss, or determined to be impaired, at which time the cumulative loss recorded in equity is recognised in the Income Statement.

Impairment of financial assets carried at amortised cost

The corporation assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

(g) Financial Liabilities

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss and borrowings. The corporation determines the classification of its financial liabilities at initial recognition. Financial liabilities are recognised initially at fair value and in the case of loans and borrowings, directly attributable transaction costs. The corporation's financial liabilities include trade and other payables and loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. Gains and losses on liabilities held for trading are recognised in the profit or loss. The corporation has not designated any financial liabilities as at fair value through profit or loss.

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

2. Statement of Significant Accounting Policies (continued)

(g) Financial Liabilities (continued)

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the profit or loss when the liabilities are derecognised as well as through the amortisation process.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Fair value of financial instruments

The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market bid prices at the close of business on the balance sheet date. For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

Amortised cost of financial instruments

Amortised cost is computed using the effective interest method less any allowance for impairment and principal repayment or reduction. The calculation takes into account any premium or discount on acquisition and includes transaction costs and fees that are an integral part of the effective interest rate.

(h) Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date: whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

2. Statement of Significant Accounting Policies (continued)

(h) Leases (continued)

Finance leases, which transfer to the corporation substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the profit or loss.

Leased assets are depreciated over the useful life of the asset. However, if there is no reasonable certainty that the corporation will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the profit or loss on a straight line basis over the lease term.

(i) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over the economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the profit or loss in the expense category consistent with the function of the intangible asset.

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

2. Statement of Significant Accounting Policies (continued)

(j) Impairment of Non-Financial Assets

The corporation assess at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the corporation estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These valuations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

(k) Provisions

Provisions are recognised when the corporation has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the corporation expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where the discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

2. Statement of Significant Accounting Policies (continued)

(1) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the corporation and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and sales tax or duty. The following specific recognition criteria must also be met before revenue is recognised:

Fees and charges

The corporation charges fees and other charges in accordance with Part 7 of the Fiji Public Trustee Corporation Act 2006. Management and administration fees are charged on a monthly basis while other fees and charges are accrued when the service is rendered.

Interest income

Revenue is recognised as interest accrues (using the effective interest method). Interest income is included in finance revenue in the profit or loss.

Dividends

Revenue is recognised when the corporation's right to receive payment is established.

(m) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand and short term deposits with an original maturity of three months or less. For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(n) Employee Benefits

Liabilities for wages, salaries and annual leave are recognised and measured as the undiscounted amount unpaid as at the reporting date at current pay rates in respect of present obligations for employee services provided up to that date. A provision is recognised for the amount expected to be paid under a bonus plan in respect of past services provided by employees, there is a legal or constructive obligation to pay this amount, and the obligation can be measured reliably.

Liabilities for other employee entitlements, which are not expected to be paid or settled within twelve months of reporting date, are accrued in respect of all employees at the present value of future amounts expected to be paid.

(o) Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	2013
	\$	\$
3. Revenue		
<u>Fees</u>		
Acceptance fees	33,064	54,571
Distribution fees	111,006	113,345
Income fees	57,522	78,904
Investment fees	111,980	123,942
Legal fees	15,100	28,498
Service fees	251,613	256,404
Fee Revenue	256,404	655,664
Other Comprehensive Income		
	\$	\$
<u>Land & Building</u>		
Opening Balance	1,081,950	905,999
Additions	343,192	191,547
Less depreciation	(16,362)	(15,596)
Net book value	1,408,780	1,081,950
Revaluation Price as at 31 Dee	1,760,000	
	351,220	—
Fair value movement		
<u>Available- for-sale-Assets (Financial Assets)</u>		
Opening Balance	—	
Additions	600,000	—
Net book value	586,640	—
Unrealised Gain/(Loss)	(13,360)	
Other Comprehensive Income	337,860	—

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	2013
	\$	\$
4. Expenditure		
<u>General and Administration expenses</u>		
Audit fees	11,066	15,000
Professional/Legal fees	2,658	19,850
Depreciation	35,185	28,405
Directors remuneration	29,500	29,500
Operating lease rentals - office	35,087	74,970
Other operating expenses	107,992	96,158
General and Administration expenses	221,488	263,88
 <u>Staff and Employee costs</u>		
Wages and salaries	338,775	365,049
Superannuation	31,507	34,520
TPAF levy	4,100	4,551
Training	8,302	7,541
Other costs(Other Allowances, Annual Leave)	57,880	54,798
Staff and Employee costs	440,564	466,459
 5. Cash and Cash Equivalents		
Cash on hand	100	258
Cash at bank	1,480,254	2,015,328
	1,480,354	2,015,586

Cash at bank earns interest at floating rates based on daily deposit rates of 2%

6. Income Tax

The major components of income tax expense for the years ended 31 December 2014 and 2013 are:

<u>Income tax expense</u>		
Current income tax charge	71,906	90,223
Adjustments in respect of previous year	—	—
Origination/ reversal of temporary differences	480	7,104
Income tax expense	72,386	97,327

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
FOR THE YEAR NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 \$	2013 \$
A reconciliation between tax expense and the product of accounting profit multiplied by the prima facie tax rate for the years ended 31 December 2013 and 2014 are:		
Accounting profit before income tax	444,263	451,125
At Fiji's tax rate of (20%-2013,20%-2014)	88,853	90,223
Adjustments in respect to previous year	-	-
Non-deductible income	(16,947)	-
Prior year over/under provision	-	-
	480	7,104
Non-deductible expenses		
Income tax expense	72,386	97,327
<u>Deferred tax asset relates to:</u>		
Employee entitlements	2,671	1,856
7. Trade and Other Receivables		
Fees and V AT receivable from Trust & Estates	224,877	401,288
Interest receivable	229,314	287,673
Receivable Others	4,252	3,254
	458,443	692,215
Trade receivables are non-interest bearing and are generally on 30 - 90 day terms. As at 31 December, trade and other receivables at initial value of nil (2013: nil) were impaired and fully provided for.		
8. Other Current Assets		
Interest receivable	-	-
Prepayments & Deposits Paid	32,514	16,365
Resident Interest Withholding Taxes and others	205,361	270,743
	237,883	287,108
9. Financial Assets		
Held-to-maturity investments	4,864,630	4,864,630
UTOF	300,790	-
FHUT	285,849	-
	5,451,269	4,864,630

Surplus of assets over liabilities arising from the assumption of assets and liabilities of the former Office of the Public Trustee was transferred to the corporation on establishment. The initial surplus funds was \$7,864,629 of which \$2.5M was paid on 8th December 2011 as approved in the 2nd AGM on 1st December 2011. The balance is the retained earnings placed with financial institutions in interest bearing term deposit and balance is cash at bank.

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

10. Property, Plant and Equipment	2014	2013
	\$	\$
Land and Building		
Cost at beginning of the year	1,097,546	905,999
Additions during the year	343,192	191,547
Fair value movements	351,221	–
Disposals	–	–
Cost at 31 December	1,791,959	1,097,546
<i>Depreciation and impairment</i>		
Accumulated balance at beginning of the year	15,596	4,664
Depreciation charge for the year (1.25%)	16,362	10,932
Disposals during the year	–	–
Accumulated balance at 31 December	31,958	15,596
	1,760,001	1,081,950
Net book value - Land and Building		
<u>Furniture and Fittings</u>		
Cost at beginning of the year	105,722	105,722
Additions during the year	19,805	–
Disposals during the year	–	–
Cost at 31 December	125,527	105,722
<i>Depreciation and impairment</i>		
Accumulated balance at beginning of the year	78,455	\$65,775
Depreciation charge for the year	10,497	12,680
Disposals during the year	–	–
Accumulated balance at 31 December	88,952	78,455
Net book value - Furniture and Fittings	36,575	27,267

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 \$	2013 \$
10. Property, Plant and Equipment (continued)		
<u>Office Equipment</u>		
Cost at beginning of the year	122,788	115,04
Additions during the year	33,029	7,747
Disposals during the year	—	—
Cost at 31 December	155,817	122,788
<i>Depreciation and impairment</i>		
Accumulated balance at beginning of the year	98,324	94,639
Depreciation charge for the year	8,258	3,685
Disposals/ adjustments during the year	—	—
Accumulated balance at 31 December	106,582	98,324
Net book value - Office Equipment	49,235	24,464
Motor Vehicles	50,201	50,201
Cost at beginning of the year		
Additions during the year	63,913	—
Disposals during the year	(50,201)	—
Cost at 31 December	63,913	50,201
<i>Depreciation and impairment</i>		
Accumulated balance at beginning of the year	50,165	49,026
Depreciation charge for the year	72	1,103
Disposals during the year	(50,201)	—
Accumulated balance at 31 December	36	50,165
Net book value - Motor Vehicles	63,877	36
WIP	—	222,661
NET WRITTEN DOWN VALUE	1,909,688	1,133,717

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

In prior Years FPTCL did not own any property and was using the cost model, however in year 2014 after shifting in the new headquarters at 83 Amy Street Toorak, Suva FPTCL has a revaluation increment of \$351,221 as at 31/12/2014.

Land and Building	2014.
Opening Net book value - PPE	1,081,950
Additions	343,192
Disposals	—
Less Value Depreciation for year 2014	(16,363)
Total Value as at 31/12/2014	1,408,779
Less Revalued Value as at 31/12/2015	<u>1,760,000</u>
Increase/Decrease in Value of Property recognised as Other Comprehensive Income/Loss	351,221

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

11. Intangible Assets	2014 \$	2013 \$
<u>Computer Software</u>		
Cost at beginning of the year	99,035	99,035
Transfer from WIP during the year	–	–
Additions during the year	–	–
Cost at 31 December	99,035	99,035
 <i>Amortisation and impairment</i>		
Accumulated balance at beginning of the year	99,035	99,035
Depreciation charge for the year	–	–
Disposals during the year	–	–
Accumulated balance at 31 December	99,035	99,035
 Net book value - Intangible Assets	–	–
12. Deferred Income		
AusAID Grant	–	2,915
 Funds utilised in:		
Vetting of files		
Policies & procedures manual	–	–
Human Resources consultancy	–	–
Strategic Planning workshop	–	–
IT Systems Development/Depreciation	–	–
Audit	–	–
Prior year adjustments	–	2,915
Other Office Equipment/Depreciation	–	–
AusAID Funds held	–	–

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 \$	2013 \$
13. Trade, Other Payables and Provisions		
Trade payables and accruals	(3,376)	83,675
Amounts payable to Trust and Estates		43,869
	(3,376)	127,554
Provisions		
<u>Provision for Employee Entitlements</u>		
Balance at beginning of the year	7284	16,565
Arising during the year	13,352	3,740
Amounts utilised/ paid	(7,284)	(13,021)
Balance at end of the year	13,352	7,284
<u>Provision for Income Tax</u>		
Balance at beginning of the year	44,608	24,671
Arising during the year	24,047	90,223
Amounts paid	(52,422)	(70,286)
Balance at end of the year	16,233	44,608
Total Provisions	29,585	51,892
Trade & Other Payables and provisions	26,209	179,446
14. Capital		
<u>Authorised Capital</u>		
100,000,000 Ordinary Shares of \$1.00 each	100,000	100,000
<u>Issued and Paid Up Capital</u>		
2 ordinary shares at \$1.00 each	2	2
<u>Share Premium Reserve</u>		
Share premium paid on ordinary shares	99,998	99,998
<u>Capital Reserve</u>		
Balance at beginning of the year	5,690,897	5,689,595
Recovery / (Payment) on PTO debts/ cases	(11,30)	1,302
Capital reserve redeemed	—	—
Balance at end of the year	5,679,592	5,690,897

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

14. Capital- (continued)

Capital Reserve

The Capital Reserve represents the Government of Fiji's contributed equity to the corporation in the form of net assets of the former Office of Public Trustee. Excluded from these net assets were debts of Trust & Estate accounts that remained outstanding on establishment of the corporation. The corporation is required under section 12(5) of the Fiji Public Trustee Corporation Act 2006 that "*it shall continue to take all possible steps to recover the monies outstanding*". The recognition of debts previously not recognised on establishment, when collected by the corporation is reflected as an increase in Capital Reserve.

	2014 \$	2013 \$
Revaluation Reserve		
Balance at the beginning of the financial year	—	—
Fair value movements - PPE	351,220	—
Unrealised gain/ (losses) - Financial Assets	13,360	—
Balance at the end of the financial year	<u>337,860</u>	<u>—</u>

The asset revaluation reserve consists of increments arising from the revaluation of the corporation property, plant, equipment and unrealised gains or losses from changes in the fair value of available-for-sale financial assets.

15. Commitments Commitments

a) Commitments Commitments - Nil (2013: Nil)

b) Operating lease commitments

Future operating lease rentals not provided for in the financial statements and payable:

	2014 \$	2013 \$
Not later than one year		
Later than one year but not later than three years	35,087	34,185
Later than three years but not later than five years	—	—
Balance at end of the year	<u>35,087</u>	<u>34,185</u>

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

16. Trusts & Estates Under Management

Total client assets and liabilities under management and trusteeship are as follows. These amounts are not reflected in the Statement of Financial Position as they are held in trust on behalf of the corporation's clients

	2014 \$	2013 \$
<u>Assets</u>		
Cash at Bank	926,862	5,938,702
Investments in Pooled Funds	29,308,000	27,259,000
Investments held individually	60,228	74,399
Non Cash Assets	14,768,466	14,314,496
Receivable from corporation	10,006	10,006
Balance at end of year	45,073,556	47,596,603
<u>Liabilities</u>		
Provision for Trust Claims	2,415,649	2,507,341
Fees and other payables to the Corporation	230,512	689,994
Payable to Corporation	1,099	0
Interest Due for Distribution	941,812	1,079,087
Balance at end of year	3,589,072	4,276,422

17. Notes to the Statement of Cash Flows

	2014 \$	2013 \$
i) Reconciliation of net cash inflows from operating activities to operating profit after income tax:		
Operating profit after income tax	709,737	353,788
Depreciation	35,185	28,405
Other comprehensive income	(337,860)	
Changes in assets and liabilities:		
Decrease in receivables	296,980	(342,843)
(Decrease in accounts payable and accruals	(124,866)	(13,953)
(Decrease) in deferred income		(2,915)
(Increase) in prepayments		(3,897)
(Increase) / decrease in deferred tax asset	(12,985)	1,457
(Increase)/ decrease in other assets	(815)	28,615
Increase in income tax payable	(57,747)	19,937
(Increase) in amounts payable to Trusts & Estates	–	(8,484)
(Decrease) in future tax liability	–	–
Net cash provided by Operating Activities	536,004	60,110

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

18. Financial Risk Management Objectives and Policies

The corporation's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to facilitate the corporation's operations. The corporation has trade and other receivables, investments and cash and cash equivalents that arrive directly from its operations.

The corporation is exposed to market risk, credit risk and liquidity risk. The corporation's senior management and directors oversee the management of these risks. Appropriate policies and procedures are in place to ensure that financial risks are identified, measured and managed in accordance with the corporation's policies and risk appetite. It is the corporation's policy that no trading in speculative financial instruments shall be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and other price risks. Financial risk affected by market risk includes deposits and investments.

19. Financial Risk Management Objectives and Policies (continued)

Market risk (continued)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The corporation's exposure to the risk of changes in market interest rates is limited as its investments and deposits are on held in fixed deposit accounts. These deposits are not redeemed until maturity.

Foreign currency risk

The corporation's transactions involving foreign currency is minimal or nil.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The corporation is exposed to credit risk from its operating activities (primarily for trade and other receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

19. Financial Risk Management Objectives and Policies (continued)

Credit risk (continued)

Credit risk related to receivables: The Corporation's largest credit exposure is from Trust & Estate funds which the corporation manages itself. The settlement of this debt is within the corporation's control.

Credit risk related to financial instruments and cash deposits: Credit risk from balances with banks and financial instruments is managed by the corporation in accordance with its policies. Investments of surplus funds are made only with approved counterparties and are reviewed by the directors during the year.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Carrying amount	
	2014	2013
	\$	\$
Cash and cash equivalents	1,480,354	2,015,587
Trade and other receivables	458,443	692,215
Held-to-maturity investments	5,451,269	4,864,630
	7,390,066	7,572,432

Liquidity risk

The corporation monitors its risk to a shortage of funds using a recurring liquidity planning tool. The corporation's objective is to maintain a balance between continuity of funding and flexibility through the use of varying maturity terms of investments.

Refer to Note 9 for details of held-to-maturity investments

20. Contingent Liabilities

As at balance date there are no known contingent liabilities. FPTCL has not granted any securities in respect of liabilities payable by any other parties whatsoever.

21. Related Parties

Transactions with related entities during the year ended 31 December 2013 with approximate transaction values are summarized as follows:

- a. The names of persons who were directors of the corporation at any time during the financial year are:
Mr Ikbal Jannif
Mr Carl Cameron
Ms Berny Nicholls

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	2013
	\$	\$
Transactions with directors for the year were:		
Directors' remuneration	29,500	29,500

22. Principal Activities

The principal activity of the corporation in the course of the financial year was to act as custodians and provide administrative services to estates of those persons who are deceased, of unsound mind or persons incapable of conducting their own affairs.

23. Subsequent Events

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect significantly the operations of the corporation, the results of those operations or the state of affairs of the corporation in the subsequent financial period.

24. Registered Office

The Corporation is incorporated in the Republic of Fiji Islands and governed by the Companies Act 1983 and Fiji Public Trustee Corporation Act 2006.

Fiji Public Trustee Corporation Limited
Public Trustee House 83-85 Amy Street,
Toorak, Suva
PO Box ~276, Government Buildings
Suva.