

OUR MISSION

To inform, educate and entertain our audience through the highest standards of Radio and Television service.

To be the most responsible, dynamic and widest covering Broadcaster providing free quality content to achieve complete audience and customer satisfaction

OUR VALUES

- We understand our audience and put them at the core of everything we do
- We strive for excellence in the development and presentation of our programs
- We are responsible, respectful, honest and accountable to one another and to our audience and customers
- Our driving force and success factors are our professional and dedicated staff, united by common values and a strong corporate culture



As Fiji's number one National broadcaster, Fiji Broadcasting Corporation is responsible for providing radio and TV programmes in three languages.

The Fiji Broadcasting Corporation today operates a network of six radio stations; two in each of the three major languages (i-Taukei, Hindustani and English). The stations are Radio Fiji One and Bula FM (i-Taukei), Radio Fiji Two and Mirchi FM (Hindustani) and Gold FM and 2Day FM (English).

In addition to these radio services, FBC is also responsible for producing educational and local programmes in all three languages. Although most of the current English and Hindi programmes are purchased, all of the Itaukei programmes are written and produced by FBC in house. Whilst the PSB grant that we receive offsets some of the costs in such generative production, the continuously increasing costs associated with production, broadcast and transmission is currently being offset with income generated from commercial advertising.

Though the country now has very advanced mobile and fixed line phone systems, there is still a significant Fijian population living in the outer islands who are totally reliant on news and messages on our AM transmission service. Our reach to this population is

critical especially during times of natural disasters.

FBC TV was set up in November 2011 and funding was in form of a government guaranteed loan acquired from FDB. Only a handful staff were hired and radio staff were trained in-house to run this TV Station. Considering these humble beginnings I must commend the CEO, management and entire FBC team on their adaptability and focus shown in operating such a great organisation. A further testament to this team's strength is that within 5 years FBC TV has become the number one 'Free to Air' TV station in Fiji and furthermore, a recent survey indicates that FBC TV and Radio now reaches 93.33% of the population in Fiji.

We believe that it is because of the recent high standards achieved by FBC, the level of competition in the industry has increased. The acquisition cost of programmes of national interest is getting extremely high whilst advertising rates are being slashed drastically by our competitors. FBC remains very much committed to maintaining high quality programming. As an example, this year we televised IRB Sevens Series and World Cup Soccer for Fijians who never had the opportunity of viewing such tournaments live and free.



FIJI BROADCASTING CORPORATION LIMITED ANNUAL REPORT 2014

CHAIRMANS REPORT (cont'd)

Staff training is another priority, we make a special effort to train and retain our staff, as we would very much like to be recognised as employer of choice.

You are invited to read our audited financials which is self-explanatory, clearly showing all of our annual financial transactions and our projected losses and increasing revenues.

The Chief Executive Officer, Mr. Riyaz Sayed-Khaiyum with his dedicated executive and management team has worked very hard to deliver high quality services for the people of Fiji.

I take this opportunity to thank our dedicated board members, Ms Malini Raghwan, Mr Aren Baoa and Mr Sitiveni Raturala for their commitment and sound advice. The board's decisions has been enhanced by diversity of views they have brought to the table. We look forward to a much brighter year 2015.

Vinaka.

MR. SASHI SINGH CHAIRMAN



Fiji Broadcasting Corporation



MR. SASHI SINGH CHAIRMAN



MR. AREN BAOA DIRECTOR



MR SITIVENI RATURALA
DIRECTOR



MS. MALINI RAGHWAN DIRECTOR



MR VIMLESH SAGAR
COMPANY SECRETARY

MR RIYAZ SAYED-KHAIYUM CHIEF EXECUTIVE OFFICER



MR VIMLESH SAGAR CHIEF FINANCIAL OFFICER





MS JANICE SINGH DIRECTOR HUMAN RESOURCES



MR VINAL RAJ MANAGER TELEVISION OPERATIONS



MS SHAMMI LOCHAN LAL MANAGER RADIO PROGRAMS



MR JACK TEDRICK DIRECTOR SALES & MARKETING



MR NITENDRA PRASAD ACTING DIRECTOR TECHNICAL OPERATIONS



MS RITA NARAYAN DIRECTOR NEWS & SPORTS





Fiji Broadcasting Commission was first established in 1954 as a public service broadcast radio station. In January 1998, it was corporatized under the Government's public sector reform programme and renamed Island Network Corporation Limited. In June 1999, the change in Government also led to another change in name; this time to the Fiji Broadcasting Corporation Limited.

From its humble beginnings, the Fiji Broadcasting Corporation today operates a network of six radio stations; two in each of the three major languages (i-Taukei, Hindustani and English). The stations are Radio Fiji One and Bula FM (i-Taukei), Radio Fiji Two and Mirchi FM (Hindustani) and Gold FM and 2Day FM (English).

Radio Fiji One and Radio Fiji Two are classified as public service broadcast stations governed under a contract between the government and the Fiji Broadcasting Corporation. Under this contract the Government "buys" airtime on the two stations and contributes towards its operations. The other arm of the FBC is its commercial operations under which fall four radio stations namely Bula FM, Gold FM, Mirchi FM and 2day FM.

The FBC also provides a free to air television service (FBC TV). Our programs focus on issues faced by the people of Fiji on a daily basis. As the national broadcaster, FBC TV carries immense community service responsibility which is reflected in the content of the network. Along with our commercial TV programs, we also have high quality local and international programs such as documentaries, social and religious programs and more. These not only inform and educate the masses, but also mould the younger generation for the future.













The FBC Pledge

At the Fiji Broadcasting Corporation we believe every Fijian has the right to the best Radio and Television service; to be informed, entertained and educated.

At the Fiji Broadcasting Corporation we give every advertiser the countries best broadcasting service, to reach the widest audience, to showcase their products, service and themselves.

At the Fiji Broadcasting Corporation we always provide the best for all Fijians.

Commercial Radio

FBC operates four commercial radio stations. These stations are Mirchi FM (Hindustani), Gold FM (English), Bula FM (i-Taukei) and 2Day FM (English).

Gold FM is aimed specifically for 35 to 60 age group while, Mirchi FM and Bula FM are aimed specifically for 18 to 40 age groups. These stations are mainly music based with popular programmes and lots of competitions and they generate the bulk of the advertising revenue. The fourth commercial station is 2Day FM which targets the 18 to 35 year age group. This station is designed to attract younger listeners who want the latest music delivered with a mature and responsible approach.

















Radio:

Currently FBC has two radio stations that broadcast programmes targeting mainly national development taking into consideration ethnic, cultural and religious diversity. These programmes are sold to Government under the Public Service Broadcast (PSB) contract which is tendered every three years. These stations are Radio Fiji One (i-Taukei Language) and the Radio Fiji Two (Hindustani Language). These stations have national coverage via AM transmitters and supplemented in some areas by FM transmitters. The company is required to comply with requirements of the terms as stipulated under the PSB contract.



FBCTV:

The objective of TV public broadcasting is to provide and promote local talent and varied programming and wider public service viewing choices. In general term, as a PSB broadcaster, FBC undertakes to promote standards of quality, unbiased information, and diverse programming taking into account the special characteristics of Fiji.

Services are performed with all intents and purpose to entertain, inform and educate the public with the emphasis on income generation to return profit to the government on its investment and repayment of startup moneys borrowed to ensure maintenance of high quality of programming, transmission and public service broadcast by the government-owned corporation.

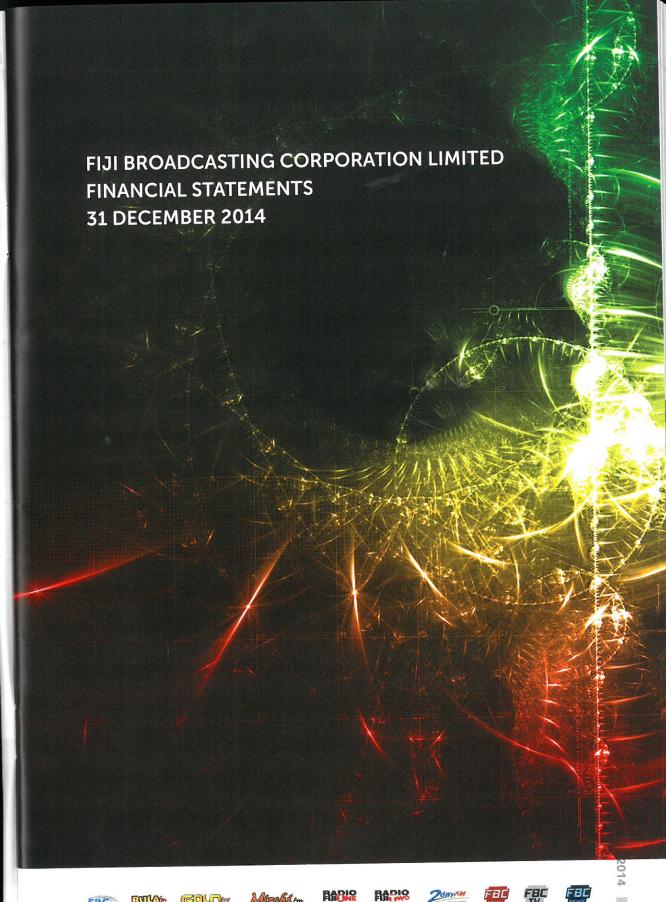


ANNUAL REPORT 2014































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File: 1248

27 April 2015

The Chairman of the Board Fiji Broadcasting Corporation Ltd P O Box 334 Suva

Dear Sir

AUDITED FINANCIAL STATEMENTS OF FIJI BROADCASTING CORPORATION LIMITED FOR THE YEARS ENDED 31 DECEMBER 2014

Audited financial statements of the Fiji Broadcasting Corporation Limited accounts for the years ending 31 December 2014 together with my audit report on them are enclosed.

Particulars of the errors and omissions arising from the audit have been forwarded to the Management of the Company for its action.

Yours sincerely

Atunaisa Nadakuitavuki for AUDITOR GENERAL

cc: Chief Executive Officer, Fiji Broadcasting Corporation Limited, PO Box 334, Suva.

Encl.























FIJI BROADCASTING CORPORATION LIMITED

FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014
DIRECTORS'REPORT

In accordance with a resolution of the board of directors, the directors herewith submit the statement of financial position of the company as at 31 December 2014, the related statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended on that date and report as follows:

Directors

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

Sashi Singh – Chairman Sitiveni Raturala Malini Raghwan Aren Baoa

Principal Activities

The principal activities of the company during the year were that of providing commercial and public radio and television services.

Results

The loss after income tax for the financial year was \$3,924,672 (2013: \$5,602,774).

Dividends

No dividends were declared or paid during the year.

Reserves

It is proposed that no amounts be transferred to reserves within the meaning of the Seventh Schedule of the Companies Act, 1983.

Bad and Doubtful Debts

Prior to the completion of the company's financial statements, the directors took reasonable steps to ascertain that action has been taken in relation to writing off of bad debts and the making of allowance for doubtful debts. In the opinion of directors, adequate allowance has been made for doubtful debts.

As 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 allowance for doubtful debts in the company, inadequate to any substantial extent.

Current Assets

Prior to the completion of the financial statements of the company, the directors took reasonable steps to ascertain whether any current assets were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the company. Where necessary these assets have been written down or adequate allowance 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 current assets in the company's financial statements to be misleading.





















FIJI BROADCASTING CORPORATION LIMITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014 DIRECTORS'REPORT (CONT'D)

Related Party Transactions

All related party transactions have been adequately recorded in the financial statements.

Unusual Transactions

In the opinion of the directors, the results of the operations of the company 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 company in the current financial year.

Going Concern

The financial statements have been prepared on a going concern basis notwithstanding that at 31 December 2014 the company had negative cash flows from operating activities of \$568,890 and deficiency in shareholder's funds of \$1,357,559. In addition, the company recorded a net loss before

If for any reason the company is unable to continue as a going concern, it could have an impact on the company's ability to realise assets at their recognized values to extinguish liabilities in the normal course of business at the amounts stated in the financial statements.

Events Subsequent to Balance Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Other Circumstances

As at the date of this report:

- no charge on the assets of the company has been given since the end of the financial year to secure the liabilities of any other person;
- no contingent liabilities have arisen since the end of the financial year for which the company could become liable; and
- no contingent liabilities or other liabilities of the company have become or are likely to become (iii) 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 company 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 company's financial statements, which would make adherence to the existing method of valuation of assets or liabilities of the company misleading or inappropriate.























FIJI BROADCASTING CORPORATION LIMITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014 DIRECTORS'REPORT (CONT'D)

Directors' Benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than those disclosed in the financial statements) by reason of a contract made by the company 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.

Director

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FIJI BROADCASTING CORPORATION LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014
STATEMENT BY DIRECTORS (CONT'D)

STATEMENT BY DIRECTORS

In accordance with a resolution of the board of directors of Fiji Broadcasting Corporation Limited, we state that in the opinion of the directors:

- i) the accompanying statement of comprehensive income of the company is drawn up so as to give a true and fair view of the results of the company for the year ended 31 December 2014;
- the accompanying statement of financial position of the company is drawn up so as to give a true and fair view of the state of affairs of the company as at 31 December 2014;
- the accompanying statement of changes in equity of the company is drawn up so as to give a true and fair view of the changes in equity of the company for the year ended 31 December 2014;
- iv) the accompanying statement of cash flows of the company is drawn up so as to give a true and fair view of the cash flows of the company for the year ended 31 December 2014;
- v) at the date of this statement, there are reasonable grounds to believe that the company 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 company.

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

Dated this 23rd day of

April

2015.

Director

Director

FIJI BROADCASTING CORPORATION LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

OFFICE OF THE AUDITOR GENERAL

Excellence in Public Sector Auditing



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INDEPENDENT AUDITOR'S REPORT

To the members of Fiji Broadcasting Corporations Limited

I have audited the accompanying financial statements of Fiji Broadcasting Corporations 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 pages 11 to 29.

Directors' and Management's Responsibility for the Financial Statements

Directors and management are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Companies Act.. This responsibility includes: designing, implementing and maintaining internal control 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 conducted the 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 my judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, I consider internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 the 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 qualified audit opinion.

Qualification

As explained in note 3(q) to the financial statements, the company accounts for all government grants received after 1 January 2010 as a capital contribution. This is a departure from IAS 20 Accounting for Government Grants and Disclosure of Government Assistance which requires government grants provided to compensate the Company for expenses incurred to be recognized in profit or loss as other income on a systematic basis in the same period that the expenses are recognized. The Company's records indicate that had the Company complied with IAS 20 the impact would be to reduce loss before tax and capital contribution by \$2,910,000 and increase other income by \$2,910,000.























FIJI BROADCASTING CORPORATION LIMITED

AUDIT OPINION FOR THE YEAR ENDED 31 DECEMBER 2014

Audit Opinion

In my opinion, except for the effects of the matter described in the qualification paragraph, the financial statements give a true and fair view of the financial position of Fiji Broadcasting Corporation Limited as at 31 December 2014, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and other statutory requirements.

Atunaisa Nadakuitavuki for AUDITOR GENERAL

Suva, Fiji 27 April 2015

























STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2014

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

Deve	Note		2014 \$	2013 \$
Revenue	6		8,747,758	8,042,530
Other operating revenue	7	ŧ.	565,732	408,238
Administration			9,313,490	8,450,768
Administration and operating expenses Marketing expenses Finance costs			(11,028,944) (1,036,409) (1,172,809)	(11,270,219) (1,351,553)
Loss before income tax		_	(3,924,672)	(1,431,770)
Income tax expense	9(a)		(0,024,072)	(5,602,774)
Loss after income tax		-	(3,924,672)	(5 602 774)
Other comprehensive income			-	(5,602,774)
Total comprehensive loss for the year		-800	(3,924,672)	(5,602,774)

The statement of comprehensive income is to be read in conjunction with the notes to and forming part of the financial statements.























FIJI BROADCASTING CORPORATION LIMITED

STATEMENT FINANCIAL POSITIONFOR THE AS AT 31 DECEMBER 2014

	Note	2014 \$	2013 \$
Current assets		J	3
Cash	21	807,558	276.075
Trade and other receivables	10	1,923,014	1,919,421
Other assets	11	518,609	207,593
Inventories	12	23,047	32,025
Held-to-maturity investments Income tax receivable	13	1,363,162	1,336,773
income tax receivable	9(c)	376,366	376,366
Total current assets		5,011,756	4,148,253
Non-current assets			
Property, plant and equipment	14	14,304,194	18,226,196
Total non-current assets		14,304,194	18,226,196
Total assets		19,315,950	22,374,449
Current liabilities			
Trade and other payables	15	1,139,169	1,569,998
Employee entitlements	17	83,887	82,239
Deferred income Interest bearing borrowings	18	51,333	51,333
2	16	1,722,232	1,418,757
Total current liabilities		2,996,621	3,122,327
Non-current liabilities			
Interest bearing borrowings	16	17,582,633	19,449,421
Deferred income	18	94,255	145,588
Total non-current liabilities		17,676,888	19,595,009
Total liabilities		20,673,509	22,717,336
Net liabilities		(1,357,559)	(342,887)
Shareholders' equity			
Share capital	19	200.002	200,002
Share premium reserve	20(a)	3,913,355	3,913,355
Capital contribution	20(b)	13,503,911	10,593,911
Accumulated losses		(18,974,827)	(15,050,155)
Total shareholders' equity deficit		(1,357,559)	(342,887)

The statement of financial position is to be read in conjunction with the notes to and forming part of the financial statements.

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

Director

Director























FIJI BROADCASTING CORPORATION LIMITED

STATEMENT OF CHANGES IN EQUITY YEAR ENDED 31 DECEMBER 2014

	Shar Capita	al Premiun Reserve	1 Losses		ıl Total
D-1		\$ \$	\$	5	5 \$
Balance as at 1 January 2013 Total comprehensive loss for the year	200,00	2 3,913,355	(9,447,381)	7,683,911	(5)
Loss for the year Other comprehensive income for the year			(5,602,774)	-	(5,602,774)
Total comprehensive loss for the				-	
Transactions with owners of the			(5,602,774)	-	(5,602,774)
Corporation Capital contribution by the shareholders, Government of Fiji. (Note 24(c))	-	-	er - 0.00	ē	-
Total transactions with the owners				2,910,000	2,910,000
of the Corporation			_	2,910,000	2,900,000
Balance at 31 December 2013	200,002	3,913,355	(15,050,155)	10,593,911	(342,887)
Total comprehensive loss for the year Loss for the year Other comprehensive income for		_	(3,924,672)		
uie year			, , , , , , , , , , , , , , , , , , , ,		(3,924,672)
Total comprehensive loss for the year				-	-
Transactions with owners of the Corporations	-	-	(3,924,672)	-	(3,924,672)
Capital contribution by the shareholders, Government of Fiji. (Note 24(c))	•	-	(*)	-	-
Total transactions with the owners	•	-	•	2,910,000	2,910,000
of the Corporation				2,910,00	2,910,00
Balance at 31 December 2014	200,002	3,913,355	(18,974,827)		1,357,559)

The statement of changes in equity is to be read in conjunction with the notes to and forming part of the financial statements.





















FIJI BROADCASTING CORPORATION LIMITED

STATEMENT OF CASH FLOWS YEAR ENDED 31 DECEMBER 2014

	Note	2014 \$	2013
Cash flow from operating activities			
Receipts from customers and grant income Payments to suppliers and employees		9,253,07,7 (8,681,035)	7,815,446 (7,714,106)
Cash generated by operations		572,042	101,340
Interest paid Income tax paid		(1,172,809)	(1,431,770)
Interest received		5,488	10,694
Net cash used in operating activities		(595,279)	(1,319,736)
Cash flow from investing activities			
Proceeds from disposal of motor vehicles Payments for term deposits Payments for property, plant and equipment		- (219,927)	31,302 (1,000,000) (748,577)
Net cash used in investing activities		(219,927)	(1,717,275)
Cash flows from financing activities			
Proceeds from term loans Proceeds from capital contribution by the shareholders Repayment of term loans, net	24(c)	47,880 2,910,000 (1,611,191)	1,601,871 2,910,000 (1,359,966)
Net cash provided by financing activities		1,346,689	3,151,905
Net increase in cash and cash equivalents during the year		531,483	114,894
Cash and cash equivalents at the beginning of the year		276,075	161,181
Cash and cash equivalents at the end of the year	21	807,558	276,075

The statement of cash flows is to be read in conjunction with the notes to and forming part of the financial statements.

























NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1 GENERAL INFORMATION

Fiji Broadcasting Corporation Limited (the company) is a Government owned entity incorporated under the Companies Act, 1983 and a Government Commercial Company under the Public Enterprises Act of 1996, domiciled in Fiji. The address of the Company's registered office and the principal place of business is 69 Gladstone Rd Suva, Fiji. The significant accounting policies, which have been adopted in the preparation of these financial statements, are noted below.

The principal activities of the company during the year were that of providing commercial and public radio and television services.

The financial statements were approved by the board of directors and authorised for issue on 23-2015.

2 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ISSUED BUT NOT YET ADOPTED

New standards, interpretation and amendments effective for the first time for periods beginning after 1 January 2014 however the company has not applied the following new or amended standards in preparing these financial statements:

- IFRS 9 Financial instruments include a revised guidance on the classification and measurement of financial instruments. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.
- IFRS 15 Revenue from Contracts with Customers establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

Management is still determining the likely impact of these standards.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted by the company are stated to assist in a general understanding of these financial statements. The accounting policies adopted are consistent with those of the previous year except as stated otherwise.

a) Statement of compliance

The financial statements of the Company have been drawn up in accordance with the Companies Act, 1983 and International Financial Reporting Standards ("IFRS").

























FIJI BROADCASTING CORPORATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Basis of Preparation

The financial statements have been prepared on the basis of historical cost convention, except where stated. Cost is based on the fair values of the consideration given in exchange for assets. In the application of IFRS, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Judgments made by management in the application of IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the future periods are disclosed, where applicable, in the relevant notes to the financial statements.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are critical to the financial statements are disclosed in Note 5.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

Going Concern

The financial statements have been prepared on a going concern basis notwithstanding that at 31 December 2014 the company had negative cash flows from operating activities of \$595,279h and deficiency in shareholder's funds of \$1,357,559. In addition, the company recorded a net loss before income tax of \$3,924,672.

If for any reason the company is unable to continue as a going concern, it could have an impact on the company's ability to realise assets at their recognized values to extinguish liabilities in the normal course of business at the amounts stated in the financial statements.

Foreign Currency Transactions

Functional and presentation currency

The company operates in Fiji and hence its financial statements are presented in Fiji dollars, which is the company's functional and presentation currency.























NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

e) Foreign Currency Transactions - Continued

Transactions and balances

Foreign currency transactions are translated into the Fijian currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

f) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, using the effective interest method.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

g) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised as expenses in the period in which they are incurred.

h) Cash and Cash Equivalents

For the purpose of statement of cash flows, cash is comprised of cash on hand and cash at bank

i) Employee Benefits

Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of a past service provided by the employee and the obligation can be estimated reliably.

Other long term employee benefits

The liability for annual leave is recognised in the provision for employee entitlements. These benefits are expected to be settled within 12 months and are measured at their nominal values using the remuneration rate expected to apply at the time of the settlement.

Defined contribution plans

Contributions to Fiji National Provident Fund are expensed when incurred.





















FIJI BROADCASTING CORPORATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

j) Financial Assets

The company classifies its financial assets as loans and receivable and held-to-maturity investments. The classification depends on the nature and purpose for which the financial assets were acquired and is determined at the time of initial recognition.

Loans and Receivable

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method. They are included in current assets, except for maturities greater than 12 months after the balance date. These are classified as non-current assets. The company's loans and receivables comprise 'trade and other receivables' and 'cash' in the statement of financial position.

Held-to-maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the company's management has the positive intention and ability to hold to maturity. The company's held-to-maturity investments comprise of 'held-to-maturity term deposits'.

Held-to-maturity investments are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost.

k) Impairment of Non-Financial Assets

At each reporting date, the company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised in profit or loss and is reflected in an allowance account. When the company considers that there are no realistic prospects of recovery of the assets the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised then the previously recognised impairment loss is reversed through profit or loss.





















NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Income Tax

Current Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences and the eligible tax losses can be utilised.

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the profit or loss, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity.

m) Inventory

Inventory comprising of fuel is measured at the lower of cost and net realisable value. Cost is determined on a first-in, first-out (FIFO) method.

n) Property, Plant and Equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives using the following rates:

Leasehold land	
Building	Term of lease
Plant and equipment	2%
Furniture and fittings	10 - 50%
Motor vehicles	10%
Computer equipment	15 - 20%
para oquipment	20-24%

Gains and losses on disposal of property, plant and equipment are taken into profit or loss in determining the results for the year.























NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

n) Property, Plant and Equipment- Continued

Capital work in progress principally relates to costs and expenses incurred for capital work in the nature of property, plant and equipment. Capital work in progress is stated at historical cost and is not depreciated.

o) Provisions

Provisions are recognised when the company has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

p) Revenue

Revenue represents income earned from advertising, programs and special events.

Revenue from advertising and programs is recognised upon playing of respective commercials and programs. Revenue from special events is recognised upon performance of the respective events or services

q) Capital Contribution by the Government of Fiji

Based on the Cabinet's decision in 2012, grants and / or special funding from the Government of Fiji, as the shareholder, is treated as capital contribution. As such, grants and / or special funding by the Government of Fiji are recognised as additions to equity rather than as operating revenue of the company.

Deferred Income

The cost of assets gifted by foreign Governments have been capitalised to plant and equipment and the corresponding credit has been taken up as deferred income. These plant and equipment are depreciated over their estimated useful lives and the benefit arising from the grant being the recoupment of depreciation is credited to revenue.

Leased Assets

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.























NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

t) Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

u) Trade and Other Payables

Payables are non derivative financial liabilities and are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

v) Trade and Other Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within administration and operating expenses.

When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited to other revenue in profit or loss.

w) Comparatives

Where necessary, amounts relating to prior years have been reclassified to facilitate comparison and achieve consistency in disclosure with current year amounts.

4 FINANCIAL RISK MANAGEMENT

a) Financial Risk Management Objectives

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. Company is also exposed to credit risk, liquidity risk and regulatory risk.

The company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

Risk management is carried out by executive management. Executive management identifies, evaluates and monitors financial risks in close co-operation with the operating units.





















NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

FINANCIAL RISK MANAGEMENT - Continued

b) Interest Rate Risk Management

The company has significant interest-bearing borrowings from Fiji Development Bank at variable interest rates. This exposes the company to interest rate risk. The company manages its interest rate risk by arranging fixed interest rates for a certain period on the borrowed funds from the Bank. The risk is monitored and managed by the management within the approved policy parameters. This risk arises from mismatches between the repricing dates of interest bearing assets and liabilities. Interest rate risk is reported using a scenario analysis (to a 1% shock). At reporting date the interest rate profile of the Company's interest bearing financial instruments was:

	Carrying amount	
	2014	2013
Fixed rate instruments	\$	\$
Financial assets	1,363,162	1,333,773
Financial liabilities	(19,304,865)	(20,868,178)
	(17,941,703)	(19,534,405)

Cash flow sensitivity analysis for fixed rate instruments

The company does not account for any fixed rate financial assets and liabilities at fair value through statement of profit and loss. Any change in fair value at the reporting date would not affect the statement of profit and loss.























NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

4 FINANCIAL RISK MANAGEMENT - Continued

c) Credit Risk Management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The company's exposure and the credit ratings of its counterparties are continuously monitored. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management on a

Trade accounts receivable consists of a customers with good credit ratings. Ongoing credit evaluations are performed on the financial condition of accounts receivables.

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

	2014 \$	2013 \$
Cash at bank Trade receivables Other receivables Held-to-maturity investments Other assets, excluding prepayments	800,458 1,672,786 376,042 1,363,162 95,527	272,975 1,778,860 492,321 1,336,773 4,553
	4,307,975	3,885,482

d) Liquidity Risk Management

The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows.

The Government of Fiji has provided the company a guarantee of \$20 million as a security for the loan from Fiji Development Bank.

31 December 2014 Trade and other payables Interest bearing borrowings 31 December 2013	Carrying amount \$ 1,139,169 19,304,865 20,444,034	Contractual cashflows \$ (1,139,169) (27,151,739) (28,290,908)	Less than 1 year \$ (1,139,169) (2,784,000) (3,923,169)	More than 1 year \$ (24,367,739) (24,367,739)
Trade and other payables Interest bearing borrowings	1,569,998 20,868,178 22,438,176	(1,569,998) (29,935,739) (31,505,737)	(1,569,998) (2,784,000) (4,353,998)	(27,151,739) (27,151,739)

e) Regulatory Risk

The company's operating environment is regulated by the Media Industry Development Decree 2011 (Fiji Media Decree) which came into effect on 28 June 2011.

The salaries and wages payable to workers are subject to relevant wages regulations and employment legislation.





















NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In application of the company's accounting policies, which are described in note 3, the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year and in future are discussed

Critical Judgments in Applying the Company's Accounting Policies

(a) Deferred tax assets

Deferred income tax assets are recognised for all unused tax losses and benefits arising from temporary deductible differences to the extent that taxable profits will be available against which the losses can be utilized. However, deferred tax asset on tax losses and other deductible temporary differences has not been recognised given that the realization of tax losses and other deductible temporary differences in foreseeable future is not considered to be probable. Significant management judgment is required to determine the amount of deferred income tax assets that can be recognised, based upon the likely and level of future taxable profits together with future planning strategies. Further details are contained in note 9(b).

(b) Impairment of property, plant and equipment

The company assesses whether there are any indicators of impairment of all property, plant and equipment at each reporting date. Property, plant and equipment are tested for impairment and when there are indicators that the carrying amount may not be recoverable, a reasonable provision for impairment is created. The management's assessment of recoverable amount involves making a judgment, at the particular point in time, about inherent uncertain future outcomes of events or conditions. Accordingly, subsequent events may result in outcomes that are significantly different from assessment.

For the year ended 31 December 2014, no provision for impairment has been made as the management reasonably believes that no indicators for impairment exist.

(C) Allowance for doubtful debts

Allowance for doubtful debts is assessed at an individual level. All debtors in the 90+ days category are considered for impairment and provided for on a specific basis after detailed review of individual account balances.























NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

6 REVENUE	2014 \$	2013 \$
Advertising:		
- Radio - Television	1,302,777	1,132,407
Paid programmes:	2,232,464	1,923,573
- Radio	980,703	1,257,579
- Television	1,042,973	1,376,538
Special events: - Radio	004.040	040 474
- Television	234,040 268,155	316,174 510,205
Sports:	200,100	010,200
- Radio	140,672	117,643
- Television	512,542	267,290
Elections: - Radio	296,221	
- Television	630,638	-
Commercial outside broadcast	721,007	631,846
Others	385,566	509,275
Total revenue	8,747,758	8,042,530
7 OTHER OPERATING INCOM	E	
Gain on disposal of motor vehicles	_	34,200
Income from gifted assets	51,333	51,333
Interest income	5,488	10,694
Other income: Rent	42.000	67,446
Communication	72,948	67,948
Other	393,963	176,617
Total other operating revenue	565,732	408,238
8 LOSS BEFORE INCOME TA	XX	
Loss before income tax has been charging the following expenses:	determined after	
Auditors' remuneration for audit fees	32,000	15,000
Accounting and taxation fees	16,000	12,000
Consultancy fees	50,270	30,200
Depreciation	4,090,596	3,988,424
Depreciation of gifted asset	51,333	51,333
Directors' fees FNPF (employer's contribution)	13,254 252,209	15,000 210,011
Insurance	171,376	155,365
Interest expenses	1,172,809	1,431,770
Licences and permits	244,597	243,781
Motor vehicle expenses	243,566	199,739
Power and transmission	658,861	859,871
Program expenses	1,138,449	1,629,275
Rent and rates (including land rentals)		95,015
Sports coverage expenses	170,246	145,659
Telephone Wages, salaries, and training levy	121,516 2,774,405	189,558 2,488,044
vvages, salaties, and training levy	2,774,405	2,400,044





















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FIJI BROADCASTING CORPORATION LIMITED ANNUAL REPORT 2014

FIJI BROADCASTING CORPORATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

9	INCOME TAX	2014	2013
(a)	Income tax expense	\$	\$
	scome tax expense on loss before income tax is ciled as follows:	è	
Loss	before income tax	(3,924,672)	(5,602,774)
Prima	facie tax benefit thereon at 20% (2013: 20%)	(784,934)	(1,120,555)
Non-d	ffect of: eductible expenses red tax assets not recognised on tax losses and other	25,221	21,001
tempo	prary differences	759,713	1,099,554
Incom	e tax expense attributable to operating loss	-	-

(b) Benefit of income tax losses not brought to account

As at 31 December 2014, the company had unconfirmed unrecouped income tax losses of approximately \$13,211,564 (2013: \$10,642,122) available to offset against future years' taxable income. The benefit of these losses at the future income tax rate of 20% amounting to \$2,642,313 (2013: \$2,128,424) has not been brought to account, as realization is not considered to be probable.

The benefit will only be obtained if:

INCOME TAY

- the company derives future assessable income of a nature and of an amount sufficient to enable the benefits from the deductions for the losses to be realized;
- (ii) the company continues to comply with the conditions for deductibility imposed by the law; and
- (iii) no changes in tax legislation adversely affect the company in realizing the benefit from the deductions for the losses.

The estimated unconfirmed tax losses will be expiring as follows:

Year	Amount	Expiry of tax loss
2011	1,014,817	2015
2012	5,551,379	2016
2013	4,075,926	2017
2014	2,569,442	2018

(c) Income tax receivable

Current

Income tax receivable

376,366

376,366





















NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

10 TRADE AND OTHER RECEIVABLES	2014	2013 \$
Trade accounts receivable Provision for impairment of trade receivables	1,672,786 (38,730)	1,778,860 (177,017)
and the second	1,634,056	1,601,843
Other receivables Provision for impairment of other receivables	376,042 (87,084)	492,321 (174,743)
	288,958	317,578
Total trade and other receivables, net	1,923,014	1,919,421
The aging analysis of these trade and other receivables that	are past due but not impair	
0 to 60 days 61 to 90 days	1,403,867	1.623 180

As of 31 December 2014, trade and other receivables of \$125,814 (2013: \$351,760) were impaired and provided for. The individually impaired receivables mainly relate to balances that were over 3 recovered.

Movements on the company provision for impairment of trade and other receivables are as follows:

Total trade and other receivables that are past due but not impaired

Allowance for impairment of receivables / (Unused amount	351,760 359,544
reversed) (Shased almount (2)	225,946) (7,784)
At 31 December	125,814 351,760

The creation and release of provision for impaired receivables have been included in 'Administration and Operating expenses' in profit or loss. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash.

11 OTHER ASSETS Current	2014 \$	2013 \$
Prepayments Deposits 12 INVENTORY	423,082 95,527 518,609	203,040 4,553 207,593
Current		
Fuel	23,047	32 025





Over 90 days













27,894

491,253

1,923,014

39,033

257,208

1,919,421





NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

HELD-TO-MATURITY INVESTMENTS

Current

Term deposits	1,363,162	1,336,773
14 PROPERTY, PLANT AND EQUIPMENT		
Leasehold land and buildings – at deemed cost Less: accumulated depreciation	6,656,288 (711,996) 5,944,292	6,656,289 (585,367) 6,070,922
Plant and equipment, and vehicles – at deemed cost Less: accumulated depreciation	23,371,916 (15,095,273) 8,276,643	23,159,850 (11,099,891) 12,059,959
Furniture and fittings – at deemed cost Less: accumulated depreciation	260,429 (177,170) 83,259	252,570 (157,255) 95,315
Total property, plant and equipment, net	14,304,194	18,226,196

Movements in Carrying Amounts:

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are as follows:

	Leasehold land and buildings	Plant and equipment, and vehicles	Furniture and fittings	Total 2014	Total 2013
	\$	\$	\$	\$	\$
Balance as at 1 January Additions	6,070,922	12,059,959 216,998	95,315 2,929	18,226,196 219,927	21,517,376 748,577
Depreciation expense	(126,630)	(4,000,314)	(14,985)	(4,141,929)	(4,039,757)
Balance as at 31 December	5,944,292	8,276,643	83,259	14,304,194	18,226,196

TRADE AND OTHER PAYABLES

Current

Trade payables	447,039	238,621
Unearned income	94,401	85,154
Other payables and accruals	566,532	1,165,248
VAT payable	31,197	80,975
Total trade and other payables	1,139,169	1,569,998























NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

16 INTEREST BEARING BORROWINGS	2014	2013
Current	\$	\$
Term loan	1,722,232	1,418,757
Non-Current		
Term loan	17,582,633	19,449,421

- (a) The company has a loan facility with Fiji Development Bank which, at year end, was fully utilised. The loan is for a period of 15 years and interest is charged at the rate of 5.5% (reduced from 6.75% effective from 1 April 2014) per annum. The loan is repayable by monthly instalments of \$232,000 (2013: \$232,000), including principal and interest. The loan is secured by:
 - Registered mortgage debenture by company over all its assets and undertakings including its uncalled and unpaid capital.
 - (ii) Registered first party mortgage by company over crown lease no CL 2748 situated at 69 Gladstone Road with improvements thereon.
 - (iii) Registered first party mortgage by company over native lease no NL 10575 situated at Naulu, Nasinu with improvements thereon.
 - (iv) Bill of Sale over entire radio and TV equipment.
 - (v) Bill of Sale over Transmission Towers and Antennas; and.
 - (vi) Guarantee by the Government amounting to \$21,594,693.

17 EMPLOYEE ENTITLEMENTS

Current

Employee entitlements 83,887 82,239

Employee entitlements relate to annual leave. These benefits are expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of the settlement.

18 DEFERRED INCOME

Deferred income Less: accumulated amortisation (a)	375,527 (229,939)	375,527 (178,606)
Total deferred income, net	145,588	196,921
Represented by:		
Current Non-current	51,333 94,255	51,333 145,588
	145,588	196,921





















NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

18 DEFERRED INCOME- Continued	Note	2014	2013
		\$	\$
Movement in the accumulated amortisation are as follows:			
As at 1 January Amortisation charge for the year		178,606 51,333	127,273 51,333
As at 31 December		229,939	178,606
19 SHARE CAPITAL			
Authorised capital 10,000,000 ordinary shares of \$1.00 each		10,000,000	10,000,000
Issued and paid up capital 200,002 ordinary shares of \$1.00 each		200,002	200,002

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder's meetings. All shares rank equally with regard to the residual assets of the Company.

RESERVES

a) Share premium reserve		3,913,355	3,913,355
b) Capital contribution		13,503,911	10,593,911
Balance as at 1 January 2014 Contribution during the year by the shareholders	24 (c)	10,593,911 2,910,000	7,683,911 2,910,000
Balance as at 31 December 2014		13,503,911	10,593,911

In accordance with the Public Enterprise Regulations, 1997 and 1998, effective from 1 January 1998, Fiji Broadcasting Corporation Limited took over the business and assets and liabilities of Fiji Broadcasting Commission. Share premium reserve represents the value of net assets amounting to \$3,913,355 that was vested in the company.

21 CASH

Cash consist of cash on hand and balances with banks. Cash included in the statement of cash flows comprise of the following:

Cash on hand Cash at bank	800,458	272,975
	807,558	276,075
22 COMMITMENTS		
(a) Capital expenditure	255 000	660,000







- Approved by the board and committed









355,000





660,000



FIJI BROADCASTING CORPORATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

22 COMMITMENTS- Continued

(b) Operating lease commitments contracted for support services fees for radio networking and broadcasting and lease rentals for crown and native lease properties is payable as follows:

Not later than one year	24.625	25.625
Later than one year but not later than two years	24,625	25,625
Later than two years but not later than five years	76,875	76,875
Later than five years	1,691,625	1,706,750
	1,817,750	1,834,875

Annual lease rentals in relation to its crown and native lease properties stated above do not include fee and interest charges as these are variable.

(c) Operating lease revenue

At year end the contract with the lessee had expired, hence no minimum was disclosed.

23 CONTINGENT LIABILITIES

Contingent liabilities in respect of security bonds and guarantees amounted to \$38,000 as at 31 December 2014 (2013: \$38,000).

The company is subject to certain claims and legal actions in the ordinary course of business. On the basis of advice received from solicitors representing the company, it is the opinion of the directors that the disposition or ultimate determination of such claims and legal actions will not have a material effect on the financial position of the company.

24 RELATED PARTY DISCLOSURES

(a) Directors

The names of persons who were directors of the company at any time during the financial year and up to the date of this report were as follows:

Sashi Singh – Chairman Sitiveni Raturala Malini Raghwan Aren Baoa

(b) Identity of Related Parties

The company is a private enterprise which is wholly owned and controlled by the Government of Fiji which provides capital contribution of \$2,910,000 on yearly basis for a 3 year term. Government also includes the government agencies and similar bodies whether local or national.

Other related parties include government-related entities which are controlled, jointly controlled or significantly influenced by the Government of Fiji.





















FIJI BROADCASTING CORPORATION LIMITED ANNUAL REPORT 2014

FIJI BROADCASTING CORPORATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

Amounts payable to related parties:

	2014 \$	2013 \$
Fiji Development Bank	19,304,865	20,868,178
Amounts receivable from related parties:		
Walesi Limited-Subsidiary	7,024	-

(c) Transactions with Related parties

During the year, the company entered into various transactions with related parties. The aggregate value of major transactions with related parties during the year is as follows:

Government of Fiji- Capital contribution	2,910,000	2,910,000
Fiji Development Bank Additional loans Loan repayments Interest on loan	47,878 (2,784,000) 1,172,809 (1,563,313)	1,601,871 (2,791,736) 1,431,770 241,905
pirectors' fees	13,254	15,000

(d) Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

During the year the following persons were the executives identified as key management personnel, with the greatest authority and responsibility for the planning, directing and controlling the activities of the Company.

Name	Title
Riyaz-Sayed Khaiyum	Chief Executive Officer
Vimlesh Sagar	Chief Financial Officer

The aggregate compensation of the key management personnel comprises only short-term benefits and is set out below:

Short-term benefits	261,099	221,00
Official beliefus	Market and the second s	WALL TO SERVICE STREET





















NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

25 EVENTS SUBSEQUENT TO BALANCE DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.























FIJI BROADCASTING CORPORATION LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

Disclaimer on Additional Financial Information

The following additional information, being the detailed income statement has been compiled by the management of Fiji Broadcasting Corporation Limited and does not form part of the statutory financial statements.























FIJI BROADCASTING CORPORATION LIMITED ANNUAL REPORT 2014

FIJI BROADCASTING CORPORATION LIMITED

DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

Revenue	2014	2013 \$
Income from advertising, programs and special events		187
5. N. 5. Emilia and opecial events	8,747,758	8,042,530
Add: Other Operating Revenue		
Gain on disposal of motor vehicles		
Income from gifted assets		31,304
Interest Income	51,333	51,333
Other income	5,488	10,694
The state of the s	508,911	314,907
	565,732	408,238
Total revenue	9,313,490	8,450,768
Less: Expenses		0,430,708
1		
Administration and operating expenses	(11,028,944)	(11,270,219)
Marketing expenses Finance costs	(1,036,409)	(1,351,553)
Finance costs	(1,172,809)	(1,431,770)
	(3,924,672)	(5,602,774)
Operating loss before income tax	(3,924,672)	(5,602,774)























FIJI BROADCASTING CORPORATION LIMITED ANNUAL REPORT 2014

FIJI BROADCASTING CORPORATION LIMITED

DETAILED INCOME STATEMENT (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

Administration and Operating Expenses	2014 \$	2013 \$
Accounting and taxation fees	16,000	12,000
Audit fees	32,000	15,000
Bad debts	63,059	=
Bank charges	50,020	43,143
Cleaning services	15,116	13,560
Computer charges	214,699	206,729
Consultancy fees	50,270	30,200
Copyright fee	59,445	58,070
Depreciation	4,090,596	4,039,757
Depreciation – gifted asset	51,333	51,333
Directors' fees	13,254	15,000
Doubtful debts	-	54,128
Entertainment	41,333	18,228
FNPF (employer's contribution)	252,209	210,011
Training levy	31,404	26,457
General expenses	18,997	45,575
Insurance	171,376	155,365
Legal fees	14.000	11,210
Licences and permits	244,597	243,781
Library resources	28,480	13,433
Local travelling	22,274	17,820
Motor vehicle expenses	243,566	199,739
Overseas travelling	59,814	56,403
Power and transmission	658,861	859,871
Program expenses	1,138,449	1,629,275
Production expenses	10,146	3,235
Printing and stationery	26,333	53,915
Rent and rates (includes land rentals)	125,306	95,015
Repairs and maintenance	161,341	249,443
Sports coverage expenses	170,246	145,659
Staff costs	35,108	16,008
Subscriptions	28,160	19,287
Telephone	121,516	189,558
Training	23,605	58,757
Wages and salaries	2,743,001	2,461,587
Water	3,030	3,000
Total administration and operating expenses	11,028,944	11,270,219





















DETAILED INCOME STATEMENT (CONT'D) FOR THE YEAR ENDED 31 DECEMBER 2014

Marketing Expenses	2014 \$	2013 \$
Advertising campaign expenses Special event expenses Promotion and public relations Commercial Outside Broadcast expenses SMS promotion expenses Public Service Broadcast expenses Commission and discount Total marketing expenses	196,112 528,339 106,635 48,437 18,183 8,000 130,703	147,941 473,061 275,373 47,164 25,375 5,643 376,996
Finance Costs		
Interest expenses	1,172,809	1,431,770
Total finance costs	1,172,809	1,431,770













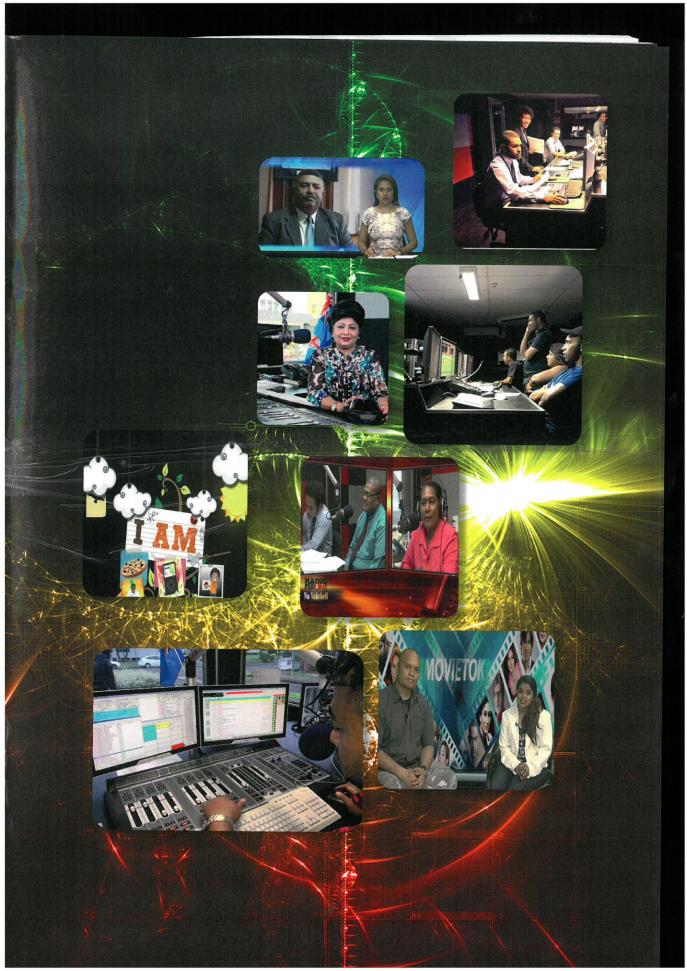


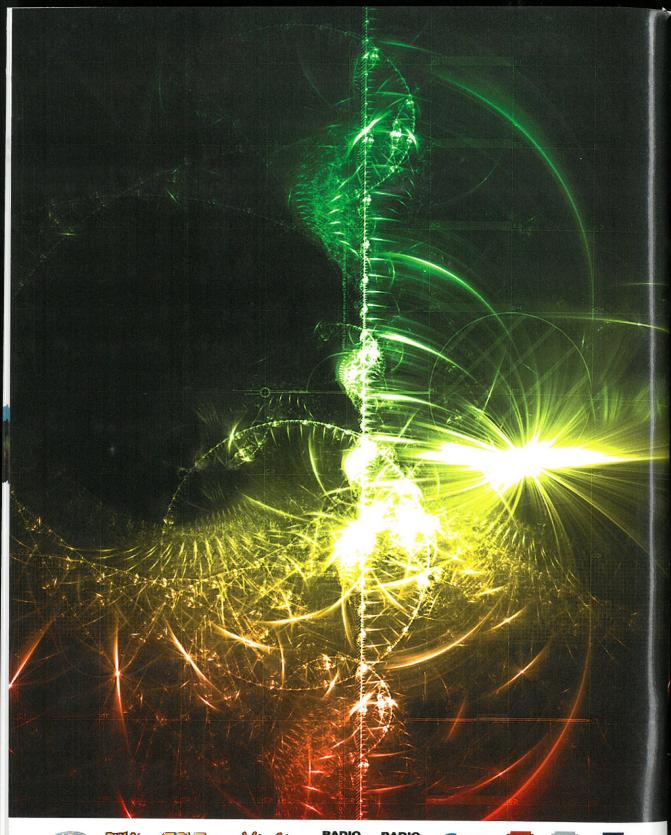
































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