



STANDING COMMITTEE ON SOCIAL AFFAIRS

REVIEW REPORT ON THE UNIT TRUST OF FIJI 2016 ANNUAL REPORT



PARLIAMENT OF THE REPUBLIC OF FIJI
Parliamentary Paper No. 93 of 2018

July 2018

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CHAIRMAN'S FOREWORD

I am pleased to present the Committee review report on the Unit Trust of Fiji 2016 Annual Report.

The Committee noted with interest that 2016 was another successful year whereby Unit Trust of Fiji recorded a better growth and return compared to previous years. With the continuous re-balancing of asset classes, UTOF distributed a record dividend to unit holders of 6.10 cents per unit under Income and Growth Funds. This resulted in a dividend yield of 4.02% and a positive capital growth of 7.01%. The total return to unit holders under this Fund was 11.03%.

The Committee was pleased to note that the implementation of the Employee Investment Scheme (EIS) has gained prominence since its launch in 2015 and has continued to provide investment opportunities to the Fijian workplace for their financial wellbeing.

UTOF's success is predominantly driven by investor confidence and competitive tax-free return which has led to an increase in total number of unit holders (investors) from 16,111 to 17,309 an increase of 7.4%.

As a managed fund, UTOF operates in a very competitive environment in terms of managing risks/return for its investors and as a financial institution in the capital market. One of the key challenges includes market competition in its product line with Banks and other financial institutions.

The Committee is confident that Unit Trust of Fiji will continue to strive for better performance and deliver unit holder expectations in terms of the return on investment and enhancement of its services and commends the overall performance and immense achievements of UTOF in 2016.

I thank the Deputy Chairperson, Hon. Veena Bhatnagar, Members, Hon. Salote Radrodro, Hon. Ruveni Nadalo, Hon. Anare T. Vadei and Hon. Ratu Tevita Niumataiwalu as an alternate member for their contribution towards the scrutiny and formulation of this bipartisan Report.

With these words, on behalf of the Standing Committee on Social Affairs I commend this Report to Parliament.



Hon. Viam Pillay

Chairperson of the Social Affairs Standing Committee

RECOMMENDATIONS

The Standing Committee on Social Affairs has conducted a review of the Unit Trust of Fiji 2016 Annual Report and has few recommendations to be brought to the attention of the House:

Recommendation 1:

- The Committee recommends that UTOF decentralize its customer service centres in Nadi and Labasa.

UTOF's response:

- The committee's recommendation is noted. UTOFML Board has endorsed the commissioning of new customer service centers by no later than Quarter 3, 2018. The new centers are being established to address the growing customer needs in the Western and Northern divisions.

Recommendation 2:

- The Committee recommends that UTOF upgrades their electronic database to improve service delivery.

UTOF's response:

- The committee's recommendation is noted and the same is being pursued. The ICT upgrade is in line with UTOF's Strategic Plan to expand the business whilst managing associated risks.

Recommendation 3:

- The Committee recommends that UTOF pursue the opportunity on regional and overseas investment.

UTOF's response:

- This recommendation is noted and we have commenced with our regional expansion plans. Offshore investment is earmarked for 2018 in order to diversify the investment portfolio.

INTRODUCTION

The Unit Trust of Fiji “UTOF” was established on the 25th of April 1978 to provide “an equal opportunity Fund for creating and growing wealth” for ordinary Fijians. Over the years, UTOF has become one of the major investment institutions in Fiji representing a wide range of investor “Dads and Moms”, individuals, clubs & associations, groups, corporate and institutions.

The Parliament at its sitting on 7th April, 2018 referred the Unit Trust of Fiji 2016 Annual Report to the Standing Committee on Social Affairs for review and collation of information which included a presentation from the Unit Trust of Fiji. This assisted the Committee members to fully appreciate the organization’s operations, achievements and challenges encountered during the financial year.

The discussions basically focused on the Unit Trust of Fiji’s administration and gender breakdown, organization structure, functions, policies/programs in place, budgetary allocation, achievements and challenges.

This report consists of the Committee’s recommendations, findings, gender analysis and conclusion.

FINDINGS

The Committee during its deliberation on Wednesday, 23rd May, 2018 received submission from Unit Trust of Fiji (UTOF) and collated the following findings:

1. Decentralization of its customer service centre in Nadi and Labasa.
2. The Committee noted the importance of strengthening its electronic database.
3. Engage in more regional and offshore investment.

GENDER ANALYSIS

Gender is a critical dimension to parliamentary scrutiny. Standing Orders 110 (2) stipulates that “the Committee shall ensure full consideration will be given to the principle of gender equality so as to ensure all matters are considered with regards to the impact and benefit on both men and women equally”. For the four (4) Key Management Positions, it was noted that only one (1) was held by a female officer whereas for the two (2) positions of Board of Directors, one was held by a female who was also the Chairperson.

The Committee further notes that the organization still has rooms for improvement towards gender equality.

CONCLUSION

The review of the Unit Trust of Fiji 2016 Annual Report was conducted in a comprehensive manner which covered all the required aspects.

The Committee acknowledges the response and clarifications from the organization on issues raised during their presentation, however, has made a few recommendations for appropriate actions.

SIGNATURES OF MEMBERS OF THE SOCIAL AFFAIRS STANDING COMMITTEE



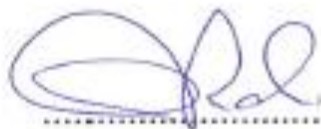
Hon. Viam Pillay
(Chairperson)



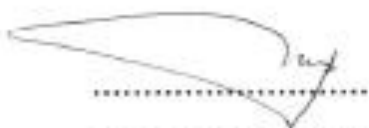
Hon. Veena Bhatnagar
(Deputy Chairperson)



Hon. Salote Radrodro
(Member)



Hon. Anare T. Vadei
(Member)



Hon. Ruveni Nadalo
(Member)



Hon. Ratu Tevita Niumataivalu
(Alternate Member)

APPENDICES

APPENDIX 1: LIST OF ACRONYMS

Acronyms	Meaning
SO	Standing Orders
UTOF	Unit Trust of Fiji
EIS	Employee Investment Scheme

APPENDIX 2: POWERPOINT PRESENTATION BY THE UNIT TRUST OF FIJI



PARLIAMENT OF THE
REPUBLIC OF FIJI



SUBMISSION TO THE STANDING COMMITTEE ON SOCIAL AFFAIRS

Presented by UTOF Management Team

Wednesday, 23rd May 2018 AT 2.30PM | Parliament Small Committee Room

PRESENTATION OUTLINE

Key Outcomes

- 2015 [Summary]
- 2016

Committee Questions



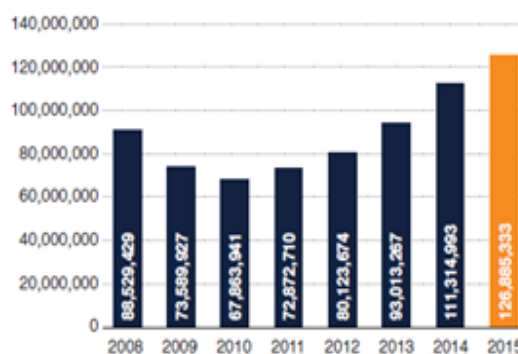
Audited Figures
(Extracted from 2015
Annual Report)

2015 KEY OUTCOMES

KEY RESULTS 2015

- Funds Under Management grew by 14% from \$111.3 million in 2014 to \$126.9 million
- The total number of unit holders recorded a steady growth from 15,512 in 2014 to 16,111

FUNDS UNDER MANAGEMENT (\$M)



NUMBER OF UNITHOLDERS



Management Performance	2011	2012	2013	2014	2015
Profitability (NPAT)	\$148,552	\$227,148	\$239,052	\$263,323	\$471,442
Dividend to Shareholders - Fijian Government	\$74,276	\$113,574	\$119,526	\$131,662	\$235,721
Shareholders' Equity	\$871,669	\$1,024,542	\$1,150,019	\$1,293,816	\$1,765,258
Dividend per share (DPS)	\$1.49	\$2.27	\$2.39	\$2.63	\$4.71
Return on equity (ROE)	17%	22%	21%	20%	27%
Return on assets (ROA)	14%	19%	17%	16%	21%
Cost to Income Ratio	88%	79%	80%	79%	68%

2015 Financial Performance

- Record year for the UTOFML
- Unprecedented NPAT of \$471,442
- Highest ever dividend paid to the Fiji Government
- Dividend per share of \$4.71
- Increase in the shareholders Equity in excess of \$1.76 million
- Fijian Government paid up capital - \$50,000

Financial Statements 31st December 2015

Statement of Compliance

The Financial Statements have been prepared in accordance with the Provisions of International Financial Reporting Standards "IFRS" and the requirements of the Companies Act.

Accounting Policies

Accounting policies have been consistently applied and are consistent with those used in previous years. New standards, amendments to the standard and interpretations have been considered in preparing Financial Statements as at 31st December 2015.

Audit Opinion

According to the audit opinion issued by OAG, the Financial Statements as at 31st December 2015 represents a true and fair view of the state of affairs of UTOFML and proper books of account have been kept by the company.

There were no major issues identified during the course of the audit hence concluding the company has strong control environment in place.

Financial Statements 2015

Debt and Impairment

There was no Bad Debt and impairment recorded for the financial year

Provisions

There was no material movement in the provisions

Audited Figures
(Extracted from 2016
Annual Report)

2016

KEY OUTCOMES

Financial Statements 31st December 2016

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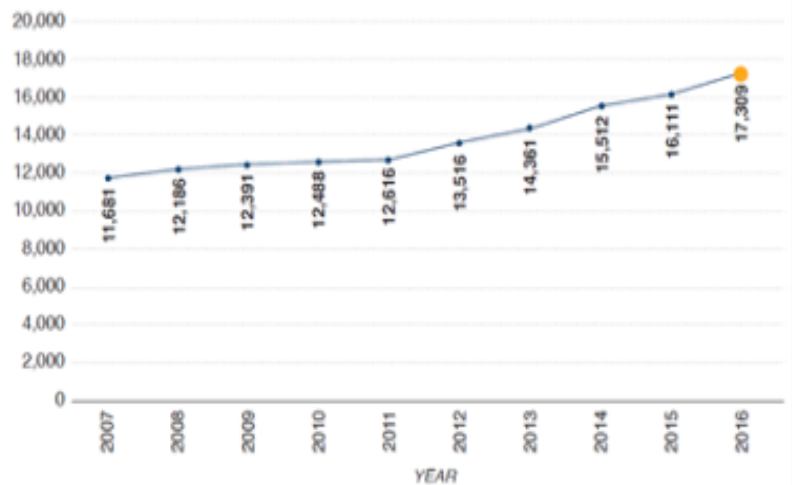
Provisions

There was no material movement in the provisions

INVESTOR CONFIDENCE

- Investor base increased from 16,111 to 17,309, an increase of 7.4%.
- Growing interest from our student investors under the Children Investment Plan (CIP)

CHART 1: NUMBER OF UNIT HOLDERS

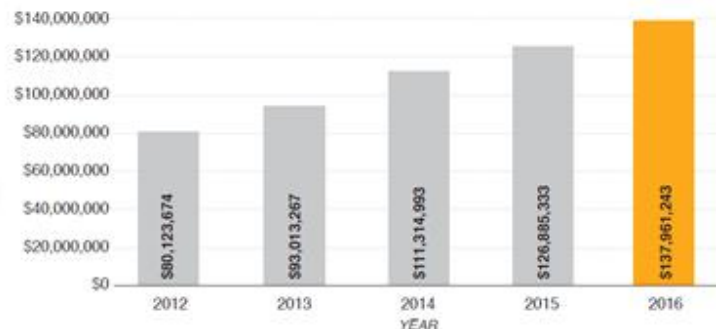


INVESTMENT PORTFOLIO

\$137.9M

- The Funds under Management grew by \$11 million increase due to unit sales and value of investments
- 8.7% from \$126.9 million in 2015 to \$137.9 million

CHART 2: FUNDS UNDER MANAGEMENT



2016 KEY INVESTMENT ACTIVITIES

Income & Growth Fund

- \$7 million investment into Vision Investment Limited (VIL)
- \$6.25 million additional capital into HFC Bank
- \$16.2 million value growth, i.e. 14.9% contributed by investee companies, namely SSTL, HFC Bank, ATH & VIL
- \$4.6 million was paid out as total dividends, equivalent to 6.10 cents per unit, an increase from 2015 of 5.90 cents per unit

Income Fund

- Substantial withdrawal of units led to the decline in the investment portfolio from \$17.5 million to \$12.3 million
- Despite the decline, the Fund paid out a competitive annualized dividend rate of 3.54%



INCOME & GROWTH FUND

CHART 3: INCOME & GROWTH FUND INVESTMENT PORTFOLIO

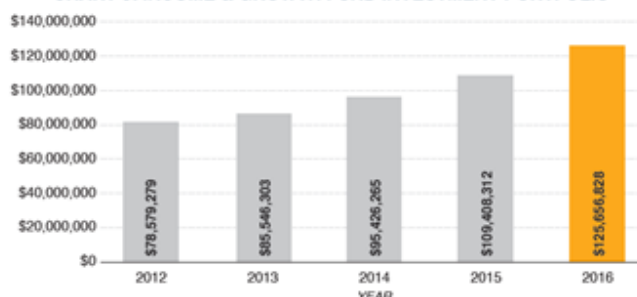


TABLE 1: INCOME & GROWTH FUND DIVIDEND PAYOUT

Indicators	2012	2013	2014	2015	2016
Interim Dividend (cents per unit)	2.30	2.30	2.30	2.35	2.40
Final Dividend (cents per unit)	3.50	3.50	3.50	3.55	3.70
Total Dividend (cents per unit)	5.80	5.80	5.80	5.90	6.10
Dividend distributed per annum (million)	\$3.29	\$3.50	\$3.72	\$4.06	\$4.56
Dividend Yield	4.49%	4.28%	4.26%	4.16%	4.02%
Capital Growth	3.85%	1.18%	4.63%	6.84%	7.01%
Total Return	8.34%	5.46%	8.89%	11.00%	11.03%

INCOME FUND

CHART 4: INCOME FUND INVESTMENT PORTFOLIO



TABLE 2: INCOME FUND DIVIDEND PAYOUT

Year	Dividend Distributed			Annualized
	Interim	Final	Total	Dividend Rate
2012	\$4,329	\$20,643	\$24,972	3.35%
2013	\$25,947	\$53,339	\$79,286	3.16%
2014	\$166,551	\$237,766	\$404,317	3.17%
2015	\$197,254	\$260,141	\$457,395	3.28%
2016	\$235,341	\$201,439	\$436,780	3.54%

UTOFML PERFORMANCE

TABLE 3: MANAGEMENT COMPANY PERFORMANCE

Management Performance	2012	2013	2014	2015	2016
Profitability (NPAT)	\$227,148	\$239,052	\$263,323	\$471,442	\$585,503
Dividend to Shareholders - Fijian Government	\$113,574	\$119,526	\$131,662	\$235,721	\$292,752
Shareholders' Equity	\$1,024,542	\$1,150,019	\$1,293,816	\$1,765,258	\$1,983,378
Dividend per share (DPS)	\$2.27	\$2.39	\$2.63	\$4.71	\$5.86
Return on equity (ROE)	22%	21%	20%	27%	30%
Return on assets (ROA)	19%	17%	16%	21%	25%
Cost to Income Ratio	79%	80%	79%	68%	67%

QUESTIONS

The following questions were submitted by the Standing Committee on Social Affairs

What does the legislation state on the appointment of the Board of Directors?

Management's Response

The appointment of Board Directors for Unit Trust of Fiji (Management) Limited is based on provisions stipulated under Division 8, Section 56 (1), (a) & (b) Public Enterprise Act 1996
*"The Public Enterprise Minister, at any time after a government company is declared to be a Government Commercial Company...is hereby empowered to –
(a) terminate any or all appointments to the Board and
(b) appoint new members of the Board,
In accordance with the applicable legal requirements, and as if was the Public Enterprise Minister who was specified therein as the appointing authority"*

Companies Act 2015 – Part 28 "Managed Investment Scheme"

What attributed to the high number of withdrawals by the members in 2016 (refer to page 6)?

Management's Response

There are number of influential factors that our investors consider when lodging their application for withdrawal such as maturity [dividend income + capital growth], personal commitments [funerals, education, house renovations, community development, diversification of their own investments, estate funds management]

The withdrawals for 2016 has been largely attributed to the mixture of the above reasons encompassing individuals, groups and institutional investors.

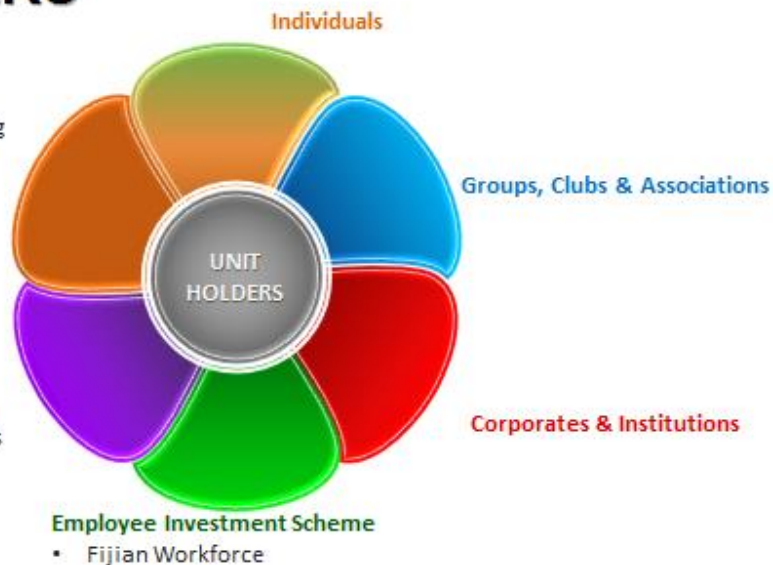
UNIT HOLDERS PROFILE

Global Investment Plan

- Fijian nationals working abroad
- Foreign Workers

Children Investment Plan

- Children under 18 years



Can you brief the Committee on the Children Investment Plan (CIP)?

Management's Response

The CIP is a Unit Trust of Fiji's national incentive to financially empower parents and guardians to save and invest for their children.

The CIP was formally introduced to the local market in 2012 following Cabinet's approval on the establishment of the Income Fund [Cabinet paper No. 111 of 2011]

The CIP is listed under the Income Fund

In 2013 an MOU was executed between UTOF and Ministry of Education to roll out the CIP to Year 13 and Year 14 under the Invest Smart program

We are continuously working with MOE to encourage our Children, Parents, Guardians and Schools - "real life financial instrument"

From the total number of holders, how many of these holders are students?

Management's Response

The Children Investment Plan accounts have been steadily increasing from the period 2014-2016 as illustrated in the table below;

Year	2014	2015	2016
No. of CIP Accounts	2,603	2,957	3,389

We have been working closely with the Commercial Studies Teachers for the registration of students in schools.

Parents have also starting to realize the importance of financially empowering their children to invest.

Management's Response

As a managed fund we operate in a very competitive environment in terms of managing risks/return for our investors and as a financial institution in the capital market.

One of the key challenges include market competition, our product line, we are competing directly with Banks and other Financial institutions.

What were some of the challenges faced in 2016?

Management's Response

Decentralize our customer service center [Nadi & Labasa]

ICT Enhancement

Regional Expansion

Offshore Investments

Property Investment

What are some of the future plans put in place for UTOF?



Thank you for listening

APPENDIX 3: RESEARCH ANNUAL REPORT SUMMARY

Annual Report Summary

Unit Trust of Fiji 2016 Annual Report

For the Standing Committee on Social Affairs

	2016	MPs Comments
Principal Activity	The principal business activity of the company is to make investment decisions and the administration of the Unit Trust of Fiji.	
Acts in place	Unit Trust Act 1978; Fiji Companies Act 2013	
Organization Structure	<p>The names of the Directors in office during the financial period and up to the date of this report are (Note 16 - p.26):</p> <ol style="list-style-type: none"> 1. Mrs. Shaenaz Voss – Chairperson 2. Mr. Maciu Lumelume – Director <p>Key Management Personnel (Note 16 – pg.26):</p> <ol style="list-style-type: none"> 1. Mr. Vilash Chand – Chief Executive Officer 2. Mr. Gyanesh Reuben – Manager Finance and Operations 3. Mr. Sakiusa Bolaisa – Manager Business Development 4. Ms. Elenoa Kaloumaira – Manager Investment 	
Key achievements for 2016	<ul style="list-style-type: none"> • The Employee Investment Scheme (EIS) has gained prominence since its launch in 2015 and has continued to provide investment opportunities to the Fijian workforce for their financial wellbeing. • UTOF's success is predominantly driven by investor confidence and competitive tax-free return which has led to an increase in total number of unit holders (investors). In 2015, the investor base increased from 16,111 to 17,309 in 2016, an increase of 7.4% (Chart 1 on pg. 5) • There has also been a growing interest from our student investors under the Children Investment Plan (CIP). This plan was successfully rolled out to schools in 2013 in consultation with the Ministry of Education for the Invest Smart Program. • The Funds under Management grew by 8.7% from \$126.9 million in 2015 to \$137.9 million in 2016, as reflected in Chart 2 (pg. 5). The growth has been driven further by the increase in unit sales and value of investments. • Income and Growth Fund (IGF): The positive movement in the value of investments attributed to an increase of 14.9%, which is equivalent to \$16.2 million (refer to Chart 3 on pg. 6). • Contributing to the significant growth in the IGF portfolio was from the performance of investee companies, such as South Sea Towage Limited, HFC Bank, Amalgamation Telecommunication Holding Limited and the newly South Pacific Stock Exchange listed company, Vision Investments Limited (VIL). UTOF during the year invested \$7 million in VIL and an additional \$6.23 million in HFC Bank. • A total of \$4.6 million was paid out to unit holders, equivalent to 6.10 cents per unit in tax-free dividends. The dividends to unit holders increased by 3.4% from 5.90 cents per unit to 6.10 cents per unit. The 3-year dividend 	

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Prepared by Tiriliane Logavatu | Email: tlrlogavatu@parliament.gov.fj | 21 May 2018

	<p>pay-out is shown in Table 1 (on pg.6). Over the last 3 years, UTOF paid out a total tax-free dividend of \$19.1 million, an average of \$3.8 million per annum.</p> <ul style="list-style-type: none"> • The dividend pay-out of 6.10 cents per unit, provided a dividend yield of 4.02%. The value growth in the investment portfolio enabled the Fund to realise a capital growth of 7.01% for its unit holders, thus providing a total return of 11.03%. The notable achievement was that the Fund exceeded its expected return to the unit holders. • Income Fund (IF): The decline in the value of the Income Fund investment portfolio was due to withdrawal of units during the year, as illustrated in Chart 4 (on pg. 6). • Despite the decline in the portfolio, the company achieved an annualized dividend rate of 3.54% from the investment portfolio. The 2016 payout is IF's highest payout since inception (refer to Table 2 on pg. 6). IF investment portfolio mostly comprises of fixed income instruments. • The Management Company recorded a Net Profit after Tax (NPAT) of \$383,503, highest profitability in the last 3 years (refer to Table 3 on pg. 6). In comparison with 2015 financial performance, profitability increased by 24% which was achieved from sales revenue, management fee and having better cost management strategies. As a result, the company was able to increase Return on Equity by 3% from 27% in 2015 to 30% enabling the Board of Directors to declare a dividend of \$292,732, payable to the Government of Fiji as per the Dividend Policy. The dividend declared was an increase of 24% from the 2015 dividend payout of \$233,721. • The Return on Assets increased by 4% to 25% from 21% in 2015, a testament of the company's ability to maximize its available resources in managing UTOF and creating awareness for ordinary Fijians to save and invest. The Company will continue to manage UTOF's investment portfolio to provide better values to the shareholders. 																												
Financial Position	<table> <tr> <th></th><th>2016 (\$)</th><th>2015 (\$)</th></tr> <tr> <td>Total Current Assets</td><td>2,163,811</td><td>1,970,142</td></tr> <tr> <td>Total Non-Current Assets</td><td>209,788</td><td>244,933</td></tr> <tr> <td>Total Assets</td><td>2,373,599</td><td>2,215,075</td></tr> <tr> <td>Total Current Liabilities</td><td>390,221</td><td>448,162</td></tr> <tr> <td>Total Non-Current Liabilities</td><td>-</td><td>1,633</td></tr> <tr> <td>Total Liabilities</td><td>390,221</td><td>449,817</td></tr> <tr> <td>Net Assets</td><td>1,983,378</td><td>1,765,258</td></tr> <tr> <td>Shareholder's Equity</td><td>1,983,378</td><td>1,765,258</td></tr> </table>		2016 (\$)	2015 (\$)	Total Current Assets	2,163,811	1,970,142	Total Non-Current Assets	209,788	244,933	Total Assets	2,373,599	2,215,075	Total Current Liabilities	390,221	448,162	Total Non-Current Liabilities	-	1,633	Total Liabilities	390,221	449,817	Net Assets	1,983,378	1,765,258	Shareholder's Equity	1,983,378	1,765,258	
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Shareholder's Equity	1,983,378	1,765,258																											
Auditor's Opinion (Auditor General)	<p>In accordance with the requirements of the Companies Act 2015 and the Unit Trust Act 1978, in my opinion:</p> <ol style="list-style-type: none"> a) Proper books of account have been kept by the Company, so far as it appears from my examination of those books, b) The accompanying financial statements: <ol style="list-style-type: none"> a. Are in agreement with the books of account; and 																												

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Prepared by Tiriliane Logavatu | Email: tlrlogavatu@parliament.gov.fj | 21 May 2018



	b. To the best of my information and according to the explanations given to me, give the information required by the Fiji Companies Act, 2015 and the Unit Trust Act, 1978 in the manner so required.	
Gender Analysis	<ul style="list-style-type: none">• In 2016, it can be noted that of the four (4) staff that make up the Key Management Personnel, there is only one (1) female.• The two Directors that make up the Board of Directors, one (1) is a female who is also the chairperson of the Board.	

Disclaimer

The Annual Report Summary was prepared to assist the Standing Committee on Social Affairs in its review of the Unit Trust of Fiji 2016 Annual Report. Although every effort has been made to ensure accuracy, it should not be taken as a complete or authoritative guide to the Reports. The Research and Library Team shall not be liable for any errors or omissions, or for any loss or damage of any kind arising from its use, and may remove, vary or amend any information at any time without prior notice. The Research and Library Team accepts no responsibility for any references or links to, or the content of, information maintained by third parties. Other sources should be consulted in the review of the Reports.

APPENDIX 4: VERBATIM REPORT ON THE SUBMISSION BY THE UNIT TRUST OF FIJI

VERBATIM NOTES OF THE MEETING OF THE STANDING COMMITTEE ON SOCIAL AFFAIRS COMMITTEE HELD AT THE COMMITTEE ROOM (EAST WING), PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS ON WEDNESDAY, 23RD MAY, 2018 AT 2.30 P.M.

Submittee: Unit Trust of Fiji

In Attendance:

1. Mr. Sakiusa Bolaira - Manager Business Development & Company Secretary
2. Ms. Elenoa Kaloumaira - Manager Investment
3. Mr. Gyanesh Reuben - Manager Finance

DEPUTY CHAIRPERSON.- Thank you Honourable Members. Once again welcome back to the meeting. It is pleasing to welcome our members from the Unit Trust of Fiji, the same team which appeared last year, I believe. Let us welcome Mr. Sakiusa Bolaira – the Manager Business Development and Company Secretary, Ms. Elenoa Kaloumaira – Manager Investment and Mr. Gyanesh Reuben – Manager Finance. Once again, thank you for availing yourselves to the Standing Committee.

I give the floor to you, Mr. Bolaira and your team for the presentation but before that, please meet my staff, Honourable Ruveni Nadalo and Honourable Ratu Tevita Niumataiwalu on my left, and on my right is Honourable Anare T. Vadei and my Secretariat team; on my right is Sue and on my left is Leba. This is like female oriented, thank you very much. Please the floor is all yours.

MR. S. BOLAIRA.- Thank you very much, Deputy Chairperson and the Honourable Members of this Committee. It is such an honour for us to be back here, we were here on the 2015 Annual Report presentation and we are here again for the 2016 Annual Report as per the presentation.

Firstly, apologies from our CEO who has been very sick from last week. I have been told there is a virul attack and unfortunately he is not being able to be here. He was really looking forward to meeting the Honourable Members today but he sends his apologies.

As you rightly stated, I am accompanied by my two colleagues at work. One looks after investment and the other one on my left looks after finance, so if any question you can pose it to my colleagues. Our presentation Honourable Members is very short. We are trying to keep things short for your perusal.

The presentation outline is basically, as you can see on the screen, the key outcomes. We will try and summarise what we said before in 2015. We see that as an important platform for you to understand our 2016 growth. Our growth has been exponential and 2015 is one of the base year and

coming into 2016 is a culmination of all the strategies we put in place. Then we also put in this power-point is the Committee questions. I would like to thank the Honourable Members for thought provoking questions that had been posed to the management team.

If you look at the 2015 key outcomes, this is an extract from the 2015 Annual Report, just to keep you a snapshot. What you looking at is two graphs, the first one is called 'Funds Under Management' and the other one is called 'Number of Unit Holders'. These are very key indicators if you want to look at our performance. If you look at the top graph which talks about our consolidate funds, you can see the upward trend beginning from 2010 and we have been progressively increasing over the years because of the strategies we put in place.

Our Funds Under Management from 2014, it was around \$111.3 and we finished our books in 2015 at \$126.9 million as we have reported earlier to the Committee. The total Number of Unit Holders are the indicator for us in terms of confidence; if people are happy you will see this. With this important tool we use in-house to assess confidence in the satisfaction level of our customers.

In 2015 of our financial performance at the end of the day, it is very important to have a good profit and the nature of Unit Trust is that profit goes directly to our unit holders in terms of returns and also have an obligation to our shareholders, the Ministry of Public Enterprises because Unit Trust of Fiji is a Government Commercial Company. We come under the Public Enterprise Act 1996 and the Companies Act.

If you look at the profitability around 2015, our dividend to shareholders was quite healthy at \$235,721. We encourage Honourable Members to look at this figure as we base this with the 2016 results and you will see the amazing results that we have performed.

At the end of the day, whatever strategies we do in-house, this is our bottom line and this is part of our reporting to our shareholders. In terms of 2015 financial statements, as you know there are a lot of accounting standards that we need to comply with. We are quite happy to report that Unit Trust of Fiji has been fully compliant and this has been verified by the Office of the Auditor-General and you can see on the screen now, you have Audit Opinion, Accounting Policies and Statement of Compliance. This is a good practise in terms of maintaining a sound management of a company in terms of financial budget that we normally work with.

The other slide, Honourable Members, talks about the Financial Statements. Important to also note the Debt and Impairment. We are pleased to report in 2015, there was no bad debt impaired and there was also the material movement in terms of provisions. It is escalating into 2016.

In terms of our 2016 outcomes, this is an extract from the 2016 Annual Report. As we mentioned before in 2015, the treatment of the same. We are happy to report that your management company in terms of Unit Trust Fiji Management Limited has been operating within the international accounting standards and the auditors have verified that and we are quite pleased to report that no major issues to report in terms of how our books are being treated according to the standards that we have. If you look at the audit opinion for 2016 as of 31st December, 2016 the OAG's Office had reported true and fair view of the state of UTOFML which is the Government Commercial Company of Unit Trust Fiji and proper books and accounts have been kept by the company. No major issues reported so we are quite pleased with that as well.

In terms of the debt and impairment in provisions, no major issues reported. This is similar to what I had just mentioned before in terms of 2015.

Looking at the investor confidence, Honourable Members, as I had mentioned before in 2015, we closed our books and counted the number of investment accounts we had, it was around 16,111. But in 2016 we recorded 17,309. This is one of our major movements representing 7.4 percent in terms of growth. We also noted some of the questions coming from the Honourable Members today is the growth in the Children Investment Plan. We will address that in the questions that were submitted by the Honourable Committee Members.

In terms of investment portfolio, Honourable Members, if you look at this big figure that shows the strength that we have in 2016, we closed our books with \$137.9 billion. If I could may, if the Deputy Chairperson would allow me to express our year to date result today, the record is crossing \$190 million, that is just last year and the movement is an historic, we are creating history over history in terms of our results, Deputy Chairperson, but that did not come out like a fluke or anything like that. It is based on strategies, we work these strategies since 2009 and re-aligning. Our unit holders, Deputy Chairperson is the one very happy, they going back to their loved ones with very healthy bank balance in terms of their accounts with us.

While we are trying to get the slides back online, Deputy Chairperson, I will try and move to the 2016 Key Investment Activities. The 2016 Key Investment Activities those are in-house information that we normally keep and strategies decisions are made. If you look on the left, Deputy Chairperson, on the Income and Growth Fund we invested \$7 million into Vision Investment Limited. We have done our assessment, it was a very lucrative opportunity for us to further our objective in terms of getting dividend capital gain. We also injected an additional \$6.25 million into HFC Bank. As you know, Deputy Chairperson, we own 25 percent of the HFC Bank. We are quite confident of how HFC is operating and we believe that we locals do better and we support all effort by HFC.

If you look at that figure, \$16.2 million, Deputy Chairperson and Honourable Members, that represents value growth. That is just the movement in terms of our investment. That is reflecting on our total return, so that is around 14.9 percent contributed by investing companies in terms of our overall growth of the company. South Sea Towage Limited is one of our entities. You can see there are new three tugs just outside Tiko's Floating Restaurant, you can see on the harbour, those are tugs that have been recently acquired from Australia. What it does is it really improves our ports services in terms of tugs. So those tugs are equipped with the latest technology because the ships, Deputy Chairperson, are getting bigger and also we need to comply with a lot of international maritime law if we do not improve our services then we will have a lot of implications on a national scale. So SSTL has acquired that and we are working with the Fiji Ports. Around \$4.6 million was paid out as equivalent to 6.1 cents per unit as you rightly stated, Deputy Chairperson, on our way here. That is an increase from 5.9 cents per unit in terms of dividend payout. So we have increased in terms of our payment and income fund for Members information is equivalent to a term deposit. That is the facility that we currently manage. We started off with zero on this income fund, now we are sitting around \$17.5 million. So we have thoroughly been working on this fund and we are quite happy that it is doing really well. There was a decline in terms of withdrawal, this is expected because our fund is liquid meaning people can come in and out anytime, so it is managed in terms of liquidity. We have strategies in-house to cater for any major withdrawal.

Very briefly, Deputy Chairperson, if you look at the other one on the slide at the moment, it is called the Income and Growth Fund. This Income and Growth Fund, income is associated with dividends paid out every six months and growth is the potential capital growth. This is for long term investors. If you look at the first chart which talks about Income and Growth Fund Investment portfolio, that simply talks about the investors or the money that we currently manage within this fund. So in 2016, we closed our books with \$125.6 million, we are managing within. Income and Growth Fund is very diverse in terms of places we can place or places we can invest the funds that is coming in under this fund. If you look at Table 1 that talks about the Income and Growth Fund Dividend Payout. If you look at 2016 highlighted column, it talks about all the returns we have, and you look at 2015/14 with comparison. If you look at the total dividend cents per unit as we mentioned is 6.1 cents and terms of total return, Deputy Chairperson, right at the bottom is 11.03 percent.

If you just use that column and run through 2012, 2013, 2014, 2015 and 2016, you will see progressive trend. This total return encompasses both yield or the dividend and capital growth, so investors coming in earning 11.03 percent. If you look at investors coming in under 2012, 2016 and if you count that up, that is an accumulative total return per year. So our investors, Deputy Chairperson, has been very happy. We have seen that in our trend the increased number of unit holders.

The next slide, Deputy Chairperson, talks about Income Fund. This is in equivalent to a term deposit. A lot of our investors are coming in and they are very risk averse meaning they do not want any appreciation with the capital, so what happens is they want to park their dollar here and just earn dividend.

What we have been receiving, Deputy Chairperson is also an increase in terms of income fund. We are closing our books with \$12.3 million in 2016. There is a slight dip in 2015/16 because one of our major institution decided to withdraw their funds. This is also part of our risk management. Some of the institutions bring in their big funds and withdrawing will have an impact on the income fund. What we have done is now diversifying our investor base so we are getting more of less; the bigger the institution the bigger the impact. But we will try and work with the institution, some of them we managed to convince them, some of them they have their own objective, own commitment so they decided to do that, but that is the nature of our operation, Deputy Chairperson; that is all manageable in terms of our operation.

DEPUTY CHAIRPERSON.- A big *vinaka vakalevu*, thank you Mr. Bolaira. Actually I am always impressed with the performance of Unit Trust of Fiji and obviously while going through the 2016 Annual Report, I must congratulate you and your team and your organisation for consistent growth, investor confidence, growing funds, the CIP investment, I am really impressed with and obviously the growing shares. So overall, we are very happy and we commend your performance but despite that, obviously we have just a few questions.

MR. S. BOLAIRA.- Yes, it is loaded in our power-point, we will just skip through the questions now. The first question, Deputy Chairperson and Honourable Members has to do with the legislation on the appointment of Board Directors. From our understanding of the law, our Ministry comes under the 1996 Public Enterprise Act. If you look at Section 56 (1) (a) & (b), it talks about the powers or the prerogative of the Honourable Minister for Public Enterprise. So, if you look at (b) it specifically makes reference to the appointment of new board members and also specifying

that the Honourable Minister is also the appointing authority. So, with those powers we have been using for the appointment of board directors and now with the new Companies Act, we are also listed in Part 28 that a lot of provisions there that gives some highlights or insight on what the nature of our operations in terms of Unit Trust of Fiji.

DEPUTY CHAIRPERSON.- During question time, we will be having some supplementary questions so we will allow that as well.

HON. A.T. VADEI.- In regards to your report you have got four board members.

MR. S. BOLAIRA.- Yes.

HON. A.T. VADEI.- What does the legislation say because of good governance and transparency. That is what we are looking at. Only two people cannot make a decision on a multi-million dollar business like this. This is our concern because we want to know how many board members and why they cannot actively be involved in the decision making or policy making of the organisation.

MR. S. BOLAIRA.- Thank you very much, Honourable Member. It is a very valid question as it touches on governance. We have initially I think just post 2006 there were only two members and after that, as you know, the political environment then none of the members wanted to be appointed because of the ban. But we have been very fortunate that we have got two new additional members who have been appointed; we have four. So, what that does it gives our quorum is two. So we can still make decision. You can see the structure of Unit Trust of Fiji, once the UTFL board makes a decision in terms of maybe investment, it goes up to the next level which is a Unit Trust of Fiji Trustee Company. So, the trustee company by a legislation or also under the Scheme Deed in Part 28 of the Companies Act, they make the final decision.

So, we may have one layer of governance as attached but there is another upper level of governance which is done by the trustees. With the trustees, there are also two members there. So, they make the final decision. At times if they are not happy with the decision, they will say, “no, you need to take this back.” So, we go back and do our own due diligence and do checks and balances again. As you rightly stated, yes, two members; we have provisions for five but we have four at the moment that also gives us the will to do other sub-committees as part of the board structure. But rest assured, Honourable Member, we have governance, we have board sub-committees that have been effected as we speak and those are the ones that look after specific areas of the operation. But I see totally where you are coming from and we are very indeed mindful of that.

DEPUTY CHAIRPERSON.- Thank you, Mr. Bolaira. Actually four out of five is very good.

HON. A.T. VADEI.- Another supplementary question, Deputy Chairperson. You are concentrating on the local markets only, you have not been looking offshore. That is why I am asking about the governance and transparency on the Board of Governors.

MR. S. BOLAIRA.- Yes.

HON. A.T. VADEI.- That is one of my main worries because the direction ...

MR. S. BOLAIRA.- Thank you very much, Honourable Member. It also in our slide. I think one of the question posed was, what is the future of Unit Trust in terms of investment? Offshore is there. My colleague Elenoa can tell you the volatility of the offshore market at the moment. There is a lot of changes. Most of the regional partners we speak with or spoke with, they are very scared of going into the offshore market. It is very volatile. So, they are more comfortable with the market they know than the market they do not know.

DEPUTY CHAIRPERSON.- Thank you for the much enlightening answers, Mr. Bolaira.

Moving onto Question No. 2, actually with reference to Page Number 6, the value of the income fund investment portfolio ce was due to withdrawal of units during the year. What actually attributed to the high number of withdrawals by the members in 2016?

MR. S. BOLAIRA.- Thank you very much, Deputy Chairperson. I think our response it is on the slide as well. What attributed basically is the reason of their withdrawing and our response is, there are a number of influential factors that our investors consider when lodging their application to withdraw. As you know, we are managing more than 19,000 accounts now and each of this account holders comes in with their own specific reason. One of the general reasons we see is most of them have reached maturity, some have started investment way back so they thought of just realising. So when they withdraw they are taking more dividend with them and capital growth and some personal commitments like funerals, education, renovations, community halls, et cetera, we have seen that a lot. Some, like institutions that want to diversify their investment. They have a big chunk with us, they said, “No, I wanted to put it in this particular institution”. So they come with many different reasons. To answer the question, Deputy Chairperson, it is largely attributed to the mixtures of all these reasons. So these all adds up and have an impact on the withdrawal that we have.

DEPUTY CHAIRPERSON.- What about *Cyclone Winston* do you have plan?

MR. S. BOLAIRA.- *Cyclone Winston*, Deputy Chairperson, we have a very strange trend. I would like to report, usually when there is a natural disaster, people come for their funds but we see some kind of correlation between FNPF’s assistance and non-withdrawal from our side. So we will see these people more sway to get to FNPF’s assistance rather than breaking the investment with us.

DEPUTY CHAIRPERSON.- And the Government assistance.

MR. S. BOLAIRA.-Yes, and Government assistance, Deputy Chairperson we are not complaining on this aspect.

DEPUTY CHAIRPERSON.- Thank you.

HON. A.T. VADEI.- Deputy Chairperson, a supplementary question.

DEPUTY CHAIRPERSON.- Sure.

HON. A.T. VADEI.- Because the income fund is on liquidity level, how does the fund sustain its growth on that income fund?

MR. S. BOLAIRA.- Thank you very much. Very deep question, Honourable Member I will ask my deep colleague on this side to also respond - our Manager Investment.

MS. E. KALOUMAIRA.- *Vinaka*. Basically the nature of the fund restricts us in investing into just term deposits and bonds that do not fluctuate in value similar to the Government bond, *Viti* bond. So, those are the two instruments at the moment that we are restricted to invest in. Most of the time we try and keep the terms of our investment short just to cater for our unit holder requirements.

MR. S. BOLAIRA.- Liquidity is the key but also can be a burden if you are not careful.

DEPUTY CHAIRPERSON.- Yes, true.

MR. S. BOLAIRA.- Especially the liquidity market is very challenging at the moment so we try and balance. At the end of the day we are answerable to unit holders in terms of dividend. So they come to us, they want return and that is what we give back.

DEPUTY CHAIRPERSON.- Thank you very much. Moving onto Question No. 3 actually I am very impressed with your CIP plan and I want to know how you are dealing with the children's investment.

MR. S. BOLAIRA.- Thank you, Deputy Chairperson. Just to give you a quick snapshot of the slide that we have. Those are the unit holder profile that we have, all different kinds of accounts that we have at the moment. So in question of withdrawal these are the kind of accounts that we are managing, all have signatories and trust to these accounts. So this encompasses all different kind of accounts that we are managing.

In terms of your question, Deputy Chairperson, in terms of CIP or the Children Investment Plan. Just to give you a quick brief, CIP is, we would like to say it is a Unit Trust of Fiji's national incentive to financially empower parents and guidance to save and invest for their children. It was formerly introduced in the local market in 2012 following Cabinet's approval on the establishment of this fund. It was a Cabinet Paper No. 111/2011 so the CIP is under this fund. So in 2013 we thought of just challenging ourselves in moving further and talking to the Ministry of Education. We were quite pleased in 2013, the Honourable Minister for Public Enterprises and also the former Minister for Education, Mr. Filipe Bole were there to execute this agreement. It was a completely big milestone for us because what it basically means is to take this CIP concept to the schools. So it was rolled out to Years 13 and 14 students and these students are now learning investment. What we have seen is when we talk to employers, most of us working, we have very less knowledge about investment. So we thought of this, while we educate on this part, we also try and take this concept to the kids. So the kids are now learning investment knowledge and what we take from here is what we always tell the Ministry of Education, we are bringing a real life financial instrument. It is not a theory base model, it is a real life finance instrument we can take when you finish school, you can buy a car or land or you can further your education overseas. So the Ministry was really supportive of this concept.

DEPUTY CHAIRPERSON.- What is the minimum amount? Is it \$20?

MR. S. BOLAIRA.- It is \$20, that is to qualify for the dividend, you need to have that balance in your account. Top up is just a dollar.

DEPUTY CHAIRPERSON.- It is interesting.

MR. S. BOLAIRA.- If I could carry on, Deputy Chairperson, this is also related to your question. The Children Investment Account has been steadily increasing from 2014 to 2016 and you can see that in 2014, we were sitting around 2,603. When we closed in 2016, we reported 3,389 accounts. So this has been increasing. We have been talking directly to the Commercial Studies teachers and also we are noticing a very interesting trend as parents and guardians are now realising the importance of saving for their kids. So they are using this facility to do that, Deputy Chairperson.

DEPUTY CHAIRPERSON.- Very interesting and thank you very much for bringing this in the system because we need our children to learn how to save for their future. Whilst on this question, you have got anything on gender, like how many women are investing?

MR. S. BOLAIRA.- Thank you, Deputy Chairperson. We are restricted by our ICT capacity. Those are some of the demographics we are really interested. We are going through transition of purchasing a new IT, also Reserve Bank of Fiji normally asks us those kind of questions but we are restricted or limited by the IT we have. We are building a new system which will enable us to further demographics of our policy. Yes, of course there are a lot of women with us and they are the biggest, strongest influencing the decisions, so I would salute women. They are just as interesting to talk with and the line of question is always very interesting for me to respond.

DEPUTY CHAIRPERSON.- I think to get their children to invest, the mothers are the force behind them.

MR. S. BOLAIRA.- Yes.

DEPUTY CHAIRPERSON.- Thank you, very much. Before we go onto Question No. 5, some of the challenges faced in 2016, just going back to page 7 of your presentation. You invested quite a bit in Vision Investment Limited in 2016 - \$7 million. So, how is your investment fairing, what is the status of the growth?

MR. S. BOLAIRA.- Maybe I will ask my colleague, Manager Investment, that is her forte, she can tell you more.

MS. E. KALOUMAIRA.- When we invested in Vision, it was \$7 million, at the moment we have been looking at more than \$10 million value growth alone. The company is always paying us dividends as well, which is basically what our Unit holders want, so good dividends and good growth as well from Vision.

DEPUTY CHAIRPERSON.- Likewise, the other investors as well may be?

MS. E. KALOUMAIRA.- Yes.

DEPUTY CHAIRPERSON.- I was looking at Page 7 of the Report, you have got HFC, Amalgamated Telecom, Vision Investment Limited, Fiji Gas, South Sea, FMF, RB Patel, Marsh, Rice Company and Communications Fiji Limited. Basically they are the ones?

MS. E. KALOUMAIRA.- Our top ten.

DEPUTY CHAIRPERSON.- Then you have many more including individuals?

MS. E. KALOUMAIRA.- Yes.

DEPUTY CHAIRPERSON.- Thank you. Moving onto the next question. What were some of the, if there were any challenges?

MR. S. BOLAIRA.- I think our life is surrounded with challenges, Deputy Chairperson. Unit Trust of Fiji is not immune from it. The challenges that we see, one of the most overriding one is basically that we are in the direct competition with the commercial banks. Since the introduction of income fund, we have been having tit for tat, so it is the benefit of the customers that is before, Deputy Chairperson, we were just restricted to our own competitor. But now it is much broader, so we are doing with credit institutions and banks, so we have to stay relevant in the market and that are some of the strategies that we are doing.

One of the things that we learnt is just the bottom line, your return. If your return is good, the unit holders will come, if it is not, they will look the other way.

DEPUTY CHAIRPERSON.- *Vinaka*, and I think the last question on the list is, what are some of your future plans?

MR. S. BOLAIRA.- Thank you, Deputy Chairperson. Some of the plans that we have, that we see the growing demand for our services. In the next few months we will be opening our new offices in Nadi and Labasa. Because our operations, Deputy Chairperson, a Unit Trust license representative has to be there to advice customers. We cannot allow anyone or non-licensed person as regulated by RBF. So we see that, we used to have a service provider arrangement with the Fiji Development Bank and Post Fiji but there is a growing demand for ourselves in terms of our license representative. So, Deputy Chairperson, we are looking at Nadi and Labasa, decentralising our customer service centre. Also, our Information and Communication Technology (ICT) enhancement. Technology is a big thing now. We are exploring the use of phone apps. One of the very interesting aspect of that is the login user, so you can be in your office or anywhere, they can log in and check your balance. That will be a dream come true for us except for withdrawals so we are quite mindful of allowing withdrawals.

The other one is regional expansion. We are happy to report there is a lot of development on this area. We are extending to Samoa, our counterparts, there is a Unit Trust in Samoa and also Vanuatu. They are coming in with their investment and it is interesting for us. It is an interesting trend indeed. We have always talked about regional expansion, Deputy Chairperson, we see now it is happening and we are quite pleased with the progress. We also noted that a lot of work done by Government is having an impact on the private sector like us as well.

In terms of offshore investment, that is like the Honourable Member had enquired, that is part of our plan. We have got approval from Reserve Bank of Fiji around \$5 million to go offshore. Property investment, we are also moving in that. We see there is a lot of value in property, Deputy Chairperson.

DEPUTY CHAIRPERSON.- Thank you very much. Honourable Members, do you have any questions?

HON. A.T. VADEL.- Deputy Chairperson, first of all, I would like to thank the team for coming forward to present their 2016 Annual Report. My last question is, their corporate social responsibility, can they explain their contribution to the community? Thank you.

MR. S. BOLAIRA.- *Vinaka saka vakalevu*. I think that is a core of our existence. Our mandate tells us to be corporately responsible. The return we give goes direct to the hands of the Fijian people. If you look at the 18,000, now crossing 19,000 accounts, those are investment accounts. If you look at by representation, we could be representing half of Fiji's population. The reason being is all the dividends that we give, goes out as tax free and the multiplier effect that they have on the ground is humongous.

Unfortunately there are no studies to further this and to follow our dividends as we go out, but we see the corporate social responsibility as far as to ensure that there is micro and macro-economic activities at all levels and Unit Trust of Fiji is an engine for that. You will see some of the withdrawal requests as I have mentioned in the slide as well, some of them are realising the investments, some are building new churches. Some of the churches along the Suva corridor, most of them are built by money from investment. Some of these committee members just left few funds a couple of years back, they have matured and they take their funds straight into the construction. Most of them are mostly debt free in that aspect.

Also, we are going to Children Investment Plan. It is a huge burden for us. Most of the banks have turned the other way because going into Children Investment Plan is a very costly affair in terms of operations but we see that as an obligation. So we are educating the next generation of Unit Trust holders.

Also there is an interesting concept that has been taken out now is the Employee Investment Scheme. We are now going into workplaces. We have signed up about 23 employers with more than 4,800 workforce that we are now talking to them individually and most of the people, we walk into these workplaces during lunch time or tea breaks, some of them have very less knowledge but once they are empowered with the knowledge, it is amazing what they are doing. So that is all having an impact on us. So I would say Honourable Member, we are doing fairly well. We may be restricted with our resources but our will is unrestricted.

DEPUTY CHAIRPERSON.- Thank you. *Vinaka*. So you are continuing with your awareness which is much needed, I believe. Like you mentioned yourself that there are people who are unaware of this Unit plus what they can reap: the benefits. Thank you so much.

Actually I like the idea of your regional expansion and the decentralisation of at least two more offices. That is a good idea. We always believe in reaching out to the people. Offshore, like

you said, you are a little scared on that. But maybe if you hit it right then basically you can go up heaps. So thank you very much, Mr. Bolaira. Thank you for your much enlightening presentation and I on behalf of the Standing Committee, we congratulate you on your achievements and also we wish you well with your future plans. Thank you very much and hope to see you again next year.

MR. S. BOLAIRA.- We look forward to revealing our latest updates, Deputy Chairperson. Just let us know the time, we will be here again.

DEPUTY CHAIRPERSON.- So just before you leave, what is the unit price for 2018?

MR. S. BOLAIRA.- We are just \$2.15 but it would be too late if you buy now. We are further increasing. So it is flying. For us, time is money. Each time you delay, there are opportunities for others.

DEPUTY CHAIRPERSON.- Yes, true.

MR. S. BOLAIRA.- We are changing the pricing today. We are increasing in confidence.

DEPUTY CHAIRPERSON.- But the return is increasing as well?

MR. S. BOLAIRA.- Yes.

DEPUTY CHAIRPERSON.- So that was \$6.09 in 2016 and 2018 is?

MR. S. BOLAIRA.- It is moving up.

DEPUTY CHAIRPERSON.- Hopefully it is moving up considerably. Thank you very much.

HON. RATU T.N. NIUMATAIWALU.- I do not have a question but I convey my sincere thanks to the team. I salute them for their excellent achievement and ask them to come over to Labasa. *Vinaka vakalevu.*

MR. S. BOLAIRA.- *Sa re.* We would love to come to Labasa, Deputy Chairperson. A lot of women's groups are in Labasa. We have been travelling to Labasa, we see a lot of interest growing and Labasa is untapped for us. A lot of people, a lot of activities happening in the North as per the Government's incentive, but no empowering in terms of investment because we see, invest and develop is the concept we need to take to Labasa, not debt and invest or develop. It is a very vicious cycle.

DEPUTY CHAIRPERSON.- Now that you have mentioned women, there are so many women's organisations, women's clubs, youth clubs, you can target them as well. Most of the clubs do their banking on a monthly basis but that is not an investment. If they invest a bit in Unit Trust, they can reap more benefits than what actually they get. So basically I think you can target all these women's groups and clubs and there are lots around Fiji.

HON. A.T. VADEL.- Deputy Chairperson, their institution, they trust the women from Labasa.

MR. S. BOLAIRA.- They are trustworthy, Deputy Chairperson.

DEPUTY CHAIRPERSON.- Thank you. Please join us for tea before you leave. Once again thank you very much.

MR. S. BOLAIRA.- *Vinaka vakalevu*, Deputy Chairperson. Thank you, Honourable Members.

The Committee adjourned at 3.08 p.m.