Fiji Public Trustee Corporation Limited

ANNUAL REPORT 2015

Rerevaka na Kalou ka doka na Tui

PARLIAMENT OF FIJI
PARLIAMENTARY PAPER 64/2016

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Chairman's Report

The Fiji Public Trustee Corporation Limited (FPTCL) has just completed its 10th year. We survived the political event of December 2006, and the uncertainties that followed.

The Fiji Public Trustee Office was one of the first Government Departments to be corporatised. In fact, it was corporatised twice, the first time under the SVT government before reverting to a government department under the Labour Government. It was again corporatised by the SDL government in 2006.

Records will show that the FPTCL has operated without a government grant or any concession since its inception. We note with some pride that the company has returned profits after tax for the entire period.

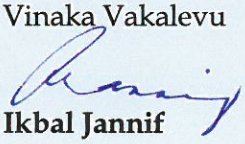
I pay tribute to all the directors since the formation of FPTCL. These included Ms Vasu Banwari, Ms Fay Yee, Mr Alipate Waqarawai, Mr Atu Sewatibau, Ms Taufa Vakatale and Mr Carl Cameron. Over the last two years, I have been efficiently and ably supported by Ms. Bernie Nicholls.

My thanks also go to the Australian Government who helped us with our establishment activities in 2006. Furthermore, we have also had the pleasure of having one Australian volunteer work with us to provide staff training and support.

Our success would not have been possible without the support of our staff, ably led initially by the late Mr Lenaitasi Korodrau, and more recently Mr Atonio Takala. The Ministry of Public Enterprises has always been there to provide guidance through its representative Board Observers.

As Chairman for the last ten years, I have been the beneficiary of all the good work that has been done by everybody and my personal thanks go to all of them.

Vinaka Vakalevu



Ikbal Jannif
Chairman

The Year in Review

This is the first year in our Strategic Plan 2015 – 2017, where the focus is on recognising that vital transformation is required to ensure the long-term financial sustainability and the viability of the organisation.

In 2015, the Corporation recorded a net profit before income tax of $477,921, which was 7.5% more than in 2014. This was a result of improvements in the performance of our operations in Estate and Legal services. Our fees income increased by 9.4% compared to 2014 performance and interest income from investments also improved recording an increase of 3.9% compared to prior year.

We are proud to continue the profitability trend since corporatisation for the tenth year, being self-funded and providing services at no cost at all to government. In addition to this achievement, the directors have resolved that the Corporation will declare a dividend of $1.5 million to government at the AGM. This will increase the total dividend paid to government since corporatisation to $4.5 million.

We are excited to be recorgnised for our achievement in the Fiji Business Excellence Awards in 2015 through the identification and work on improving operations in our business over the years. This has motivated us to take on various reforms and improvements in our customer services, business processes, enhancement of our workforce capabilities, leadership and governance and continue building a commercially focused working culture within the organisation.

The need to be customer centric in our operations has forced us to continue investments in systems and technology, including the revamping of our website. We have also used social media to promote various services and to look for beneficiaries in the distribution for some of our estates and trust cases.

Our other legal services, which were introduced in 2014 to assist private executors and administrators, have now expanded to include other conveyance services, overseas search and estate revocation requests. These services are provided to the public at a reasonable cost compared to private sector charges. The innovation of other legal services arose from proactive actions taken towards customer demand and the need to complement income from core business.

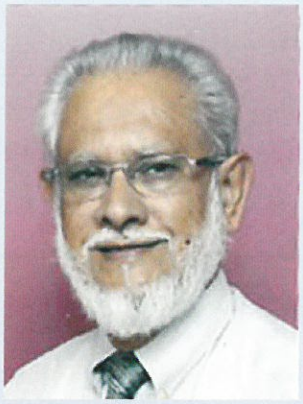
We continue to engage effectively with the public through our awareness campaigns on the importance of "Wills" through public presentations, radio and television talk back shows and website queries continue to be our major forms of marketing. The team also attended a number of public expo's and invitations for "Wills" awareness presentations by various organizations, civil society and community groups. It was encouraging to see the increase in the number of Wills drafted and queries received from the public during the year.

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

I would like to thank the Directors, my management team and our hard working staff for the achievements for another successful year 2015.

Atonio Takala
Chief Executive Officer

Members of the Board of Directors



Mr. Ikbal **Jannif**
Chairman

Mr. Jannif is the Managing Director and CEO of Caines Jannif Limited and has served on the Boards of the Reserve Bank of Fiji and FRCA. From 1989 to April 2015 he was on the Council of the University of South Pacific where he served as the Chair of the Audit Committee, Deputy Chair of Council for two terms, before becoming Chair of Council and Pro-Chancellor in January 2013. In April 2015, he resigned from USP to take up the position of Chair of Council and Chancellor of the Fiji National University. He is also the Chairman of the Pacific Fishing Company Ltd (PAFCO).

He received the Officer of Order of Fiji award in 1998 for service to the community. He is a Justice of the Peace.

Mrs. Sera B **Nicholls**
Director

Mrs. Nicholls has held a range of roles including Trade Liaison with the British High Commission and Regional Representative for Crown Agents for Overseas Governments. From 2004 to 2009, she held various roles at ANZ Pacific Operations including Manager Risk and later, Head of Governance, Projects and Special Initiatives. From 2010 to 2011, Mrs. Nicholls was CEO for Suva City Council and is now Managing Director of her company.

In 2002, she established Fiji's first public private partnership with the Fiji Export Council. She also established the Purchasing & Logistics Management Association in 2000 and was President until 2004.

In 2007 she established the ICT Association of Fiji and led a team of exhibitors to the 2008 Sydney CeBIT Exhibition. She was a Director of Food Processors Fiji Ltd, before becoming Chairperson (2003-2014). She was Chairperson of the Oversight Committee (2010-2015) of the Global Fund's Country Coordinating Committee in Fiji, consulting with the Ministry of Health.

Mrs Nicholls has been recognised for her work on several occasions, receiving awards for Outstanding Quality Circle Manager of the Year by the Fiji National Convention on Quality, ANZ Pacific Leadership recognised her as a Pacific Star in 2006, and she was also honoured by the Fiji Government when she received the Fiji Independence 25th Anniversary Medal for service to the community.

Management Team

Mr. Atonio **Takala**
Chief Executive Officer

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

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

Mr. Kumar was appointed Manager Finance & Administration in May 2013. Mr. Kumar holds a BA degree and a MBA from USP. He is also a member of the CFA charter and has done Securities Licensing exam as well from RBF. He is also a member of the IAA. Prior to joining FPTCL, he was employed with various organizations such as UTOF, Commerce Commission, Prices and Incomes Board and held key positions in the areas of finance, investment and administration. He is also the company secretary. Mr. Kumar resigned in December 2015.

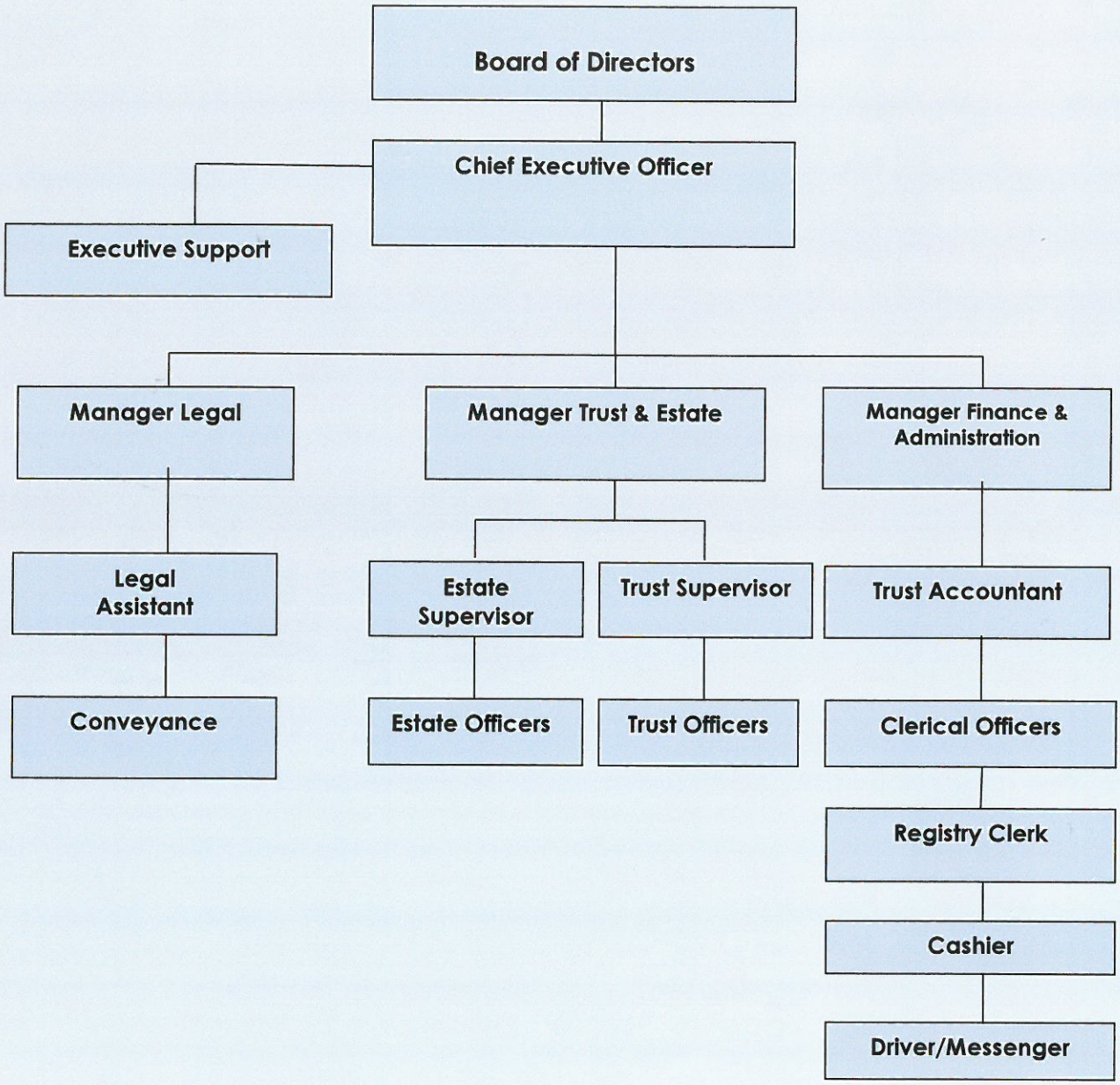
Mr. Abdul **Kamil**
Manager Estates & Trust

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

Mrs. Ronda **May**
Manager Legal

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

Organisation Structure



Vision and Mission

Vision - To be Fiji's preferred and leading provider of estates administration, trustee and will services.

Mission - To provide Fijians with expert, professional and timely service.

Our Purpose

The company's major business activities are as follows:

a) Administration of deceased persons' estate;
b) Trustee Services;
c) Will Making;
d) Power of Attorney services;

Our Values

We value honesty, integrity, respect, professionalism and timeliness in providing our services:

a) **Honesty**
Being open and honest in all our dealings;

b) **Integrity**
Adhering to moral and ethical principles of the business and maintaining the highest integrity at all times;

c) **Respect**
Treating all with high regard and self-esteem through our services;

d) **Professionalism**
Discharging our duties with integrity, providing quality service and being reliable and responsible.

e) **Customer Service**
Providing timely and accurate information;

Implementing suggestion from customers on how better we can serve them;

f) **Timeliness**
Committing towards creating and meeting realistic deadlines.

g) **Our People**
Training, developing, maintaining and rewarding our people.

Fiji Public Trustee Corporation Limited - Strategic Plan 2015–2017

Vision

To be Fiji's preferred and leading provider of Estate Administration, Trustees and Wills Services

Mission

To provide Fijians with expert, professional and timely service

Values

We value honesty, integrity, respect, professionalism, trust, our customers and our people.

Customer Service

We strive to achieve service excellence by offering customer experience combined with a focus on professional services

- Improve communication with customers;
- Work on simplifying processes and improve turnaround time;
- Implement suggestions from customers on how better we can serve them;
- Clear dormant file accounts.

People and Culture

We will train and develop our people and create a rewarding working environment

- Enhance the capabilities of our work force and our culture;
- Work on the transfer of knowledge amongst staff;
- Create opportunities for the enhancement of the individual employee's abilities;
- Enhance the PMS rewarding system;
- Improve Workplace Health & Safety.

Business Improvements

We will identify opportunities to improve and enhance all areas of our business processes

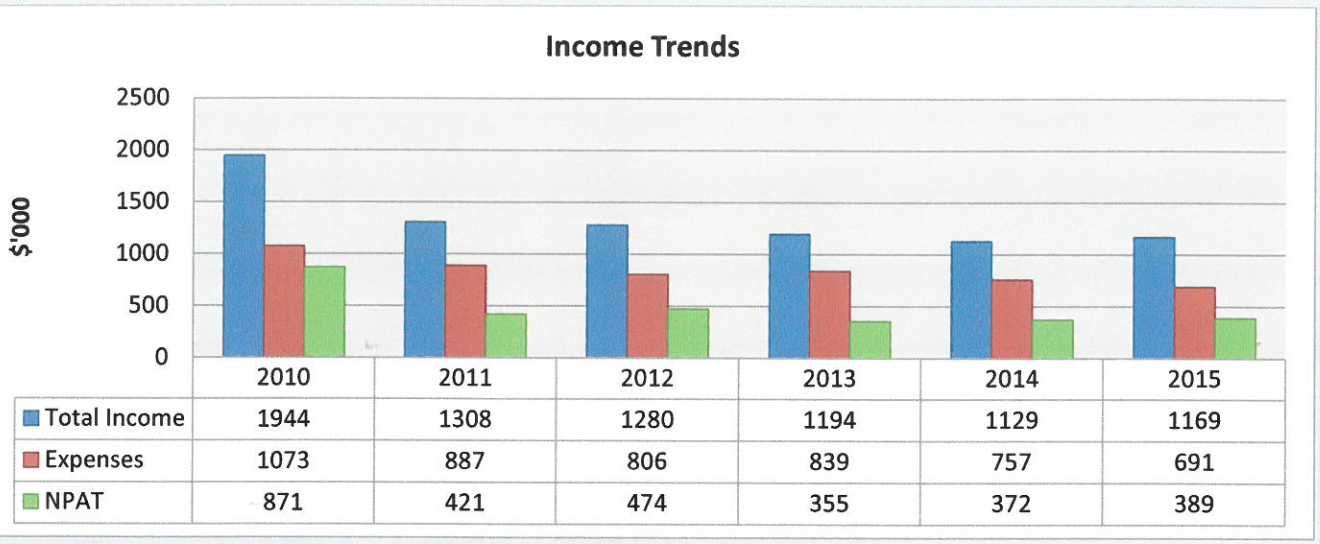
- Ensure the organisation remains profitable;
- Research and develop new business initiatives;
- Upgrade and enhance our ICT capabilities;
- Marketing and promotion of our services;
- Enhance internal business units to achieve agreed fiscal targets.

Stakeholder Partnerships

We will strengthen our business relationships with government and non-governmental agencies and business partners as they play important role in our business

- Develop working relationships and understanding with stakeholders;
- Foster our relationship with the Ministry of Justice & Judiciary;
- Develop twining relationships with Public Trustees overseas;

Operations Performance



	2010	2011	2012	2013	2014	2015
Total Income	1944	1308	1280	1194	1129	1169
Expenses	1073	887	806	839	757	691
NPAT	871	421	474	355	372	389

The Corporation's total income is derived from fees and charges on services provided; interest income from Corporation investments and other income. The fees and charges are recognised at the time and charges are levied. The rates and timing of charges are as per the *Fiji Public Trustee Corporation (Fees Regulation of 2008)*. Interest income is made of interest on investment of corporation funds in managed investments, term deposits, bonds and rental income.

In 2015, fees and charges from core-business increased by 9.4%, whilst income from investments increased by 3.9% resulting in total income of $1.16 million in 2015 compared to $1.13 million in 2014. The financial objectives of our current strategic plan is to work towards increasing our core business income from fees and charges by 3% with the overall income growth of 4% in 2015, this was achieved in 2015.

Other corporate benchmarks included better management of cost which was achieved, improve profitability by 3%, in which the Corporation achieved 4.5% with a return on equity of 4%, which was equally achieved.

Income from operations in Estate, and Legal services improved over the years, whilst trust operations fell. The Corporation is continuing to pursue other income sources through the introduction of other services that complement our core business, especially those that are currently being demanded by customers.

Improving the delivery of our services remain at the forefront of our strategic objectives and this will be further enhanced through the current business process improvements, further training and development of our people and better stakeholder relationships with our business partners.

The Corporation continues to provide estate, trustee and legal services to the people of Fiji at no cost to government. The corporation is self-funded, through income from its operations and does not receive any grant or subsidy from government.

Our primary objective is the long-term financial viability of our business and in ensuring that we remain a relevant part of the economy.

Financial Highlights – 2006 - 2015

Statement of Comprehensive Income

The FPTCL total income for year ending 31 December 2015 are made as follows:

Fees & Charges	57%
Interest on Investments	43%

In the first 5 years, fees and charges increased at an average rate of 34% from incorporation till the year 2010. This was attributed by the introduction of the new fees and charges and the efficient capturing of income through the new IT systems. However, from 2011 the lost in the administration of FNPF nominee funds and reduction on interest from investments resulted in similar decreases.

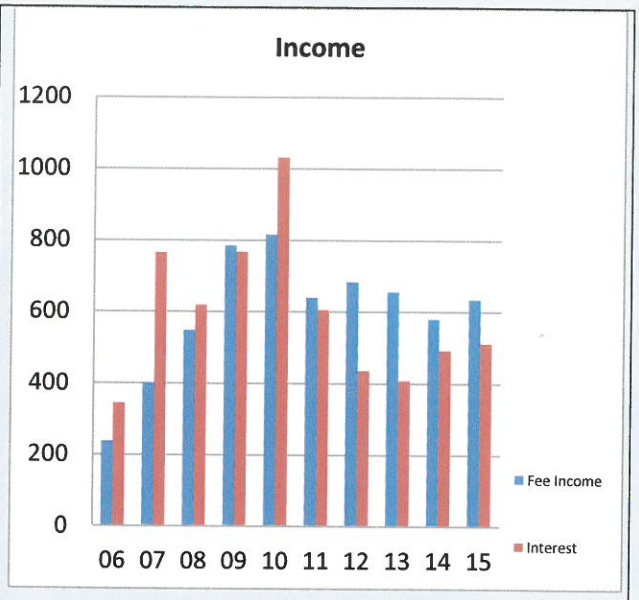
Interest income from investment saw an average increase of 19% that largely was determined by the market interest rates and judicious management of the investment portfolio to 2010. Whilst higher returns are always desired, prudence is paramount to the corporation when dealing with trust funds.

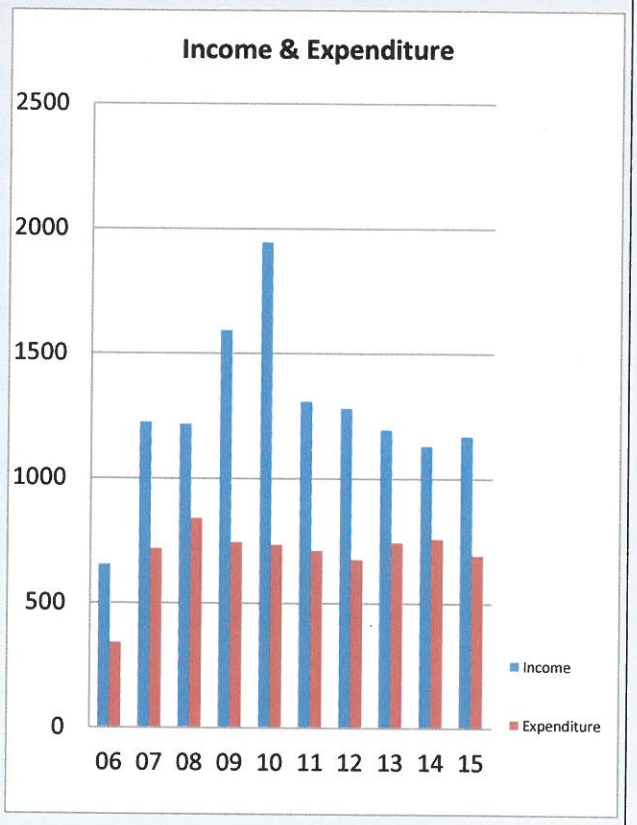
The FPTCL has been profitable since incorporation, with a net profit after taxes of $389,395 recorded in 2015 an increase of 4.7% compared to 2014.

Major financial achievements over the years were:

- Paid $3.6 million from Capital Reserves to government;
- Paid $1 million in dividend to Government.
- Paid over $3 million in income taxes and other statutory taxes;
- Distributed over $9 million since 2006 in interest to beneficiaries of Estates & Trust held in our custody.

The corporation is continuing to innovate and identify new services that complement our core business and supplement income from Estates & Trust.





Financial Highlights – 2006 – 2015

Statement of Financial Position

Total Assets of the Corporation as at 31st December 2015 was $9,987,188 comprising of the following:

Financial Assets	68%
Cash & Cash Equivalents	5%
Receivables	5%
Property, Plant & Equipment	19%
Other Assets	3%

Total Assets increased by 4.6% in 2015 compared to an increase of 6% in 2014. Over the last 5 years, Total Assets have increased by 19% and net assets increased by 25%.

Total Liabilities of the Corporation as at 31st December 2015 were $1,560,410 comprising of the following:

Trade & Other Payables	3%
Dividends Payable	97%

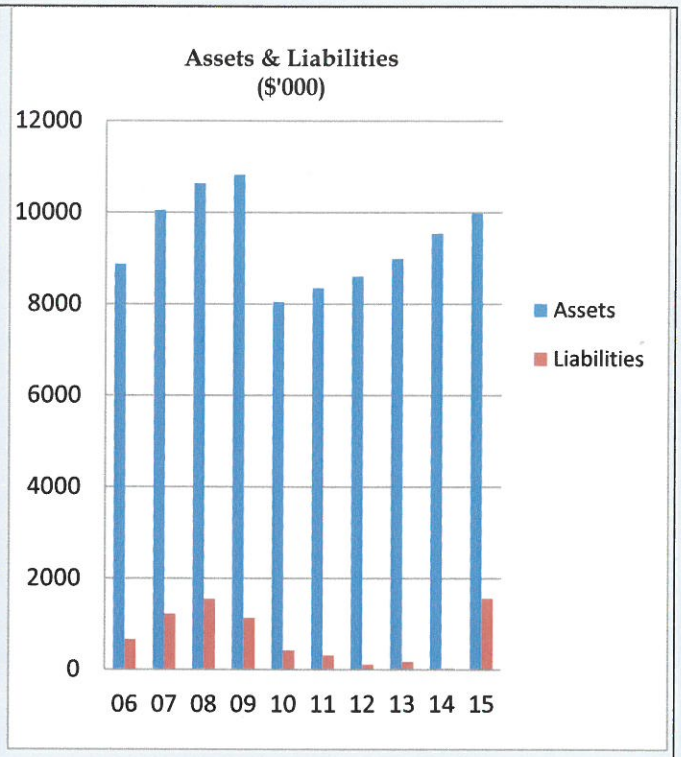
The initial liabilities included the values represented in the trust and estate files inherited from the PTO and the startup costs. Liabilities increased on average by 3% and in 2015, the corporation declared dividend of $1.5 million, which forms the major portion of the liabilities.

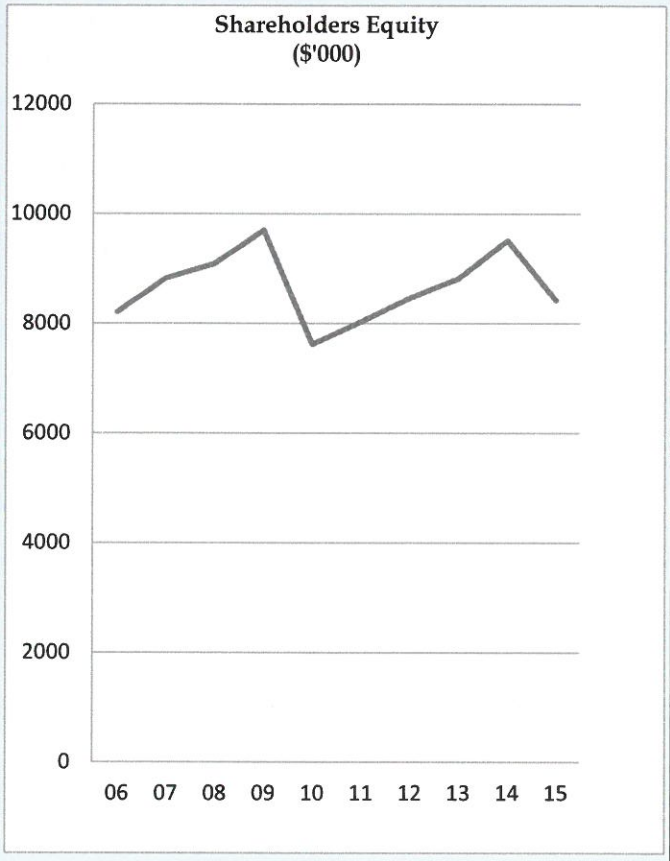
Total Shareholders' Equity of the Corporation as at 31st December 2015 was $8,426,778 comprising of the following:

Share Capital	1%
Capital Reserve	54%
Revaluation Reserve	5%
Retained Earnings	40%

The share capital remains at 1%, whilst capital reserves reduced by 19% due to the return of $1.1million to government. Revaluation reserve increased by $21K from unrealised gain in the value of financial assets, whilst retained earnings will have a net reduction effect of $11K after adding $389K from the 2015 profits and declaring $400K as dividends.

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





Estates Administration

The Estates team provides executor and administration services for the distribution of deceased person's estate. FPTCL is a one-stop shop in dealing with the Estate from application to High Court, collation of assets, locating beneficiaries, settlement of debts, tax clearances, transfer of property and distribution of assets.

The FPTCL administers estates where:

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

Administering deceased estate is a specialized activity requiring some knowledge of the legal and financial issues involved. Many clients choose the Fiji Public Trustee for the impartiality that an independent executor can offer, particularly where there is a likelihood of family conflict over inheritance. At such a traumatic time, when friends and family are grieving, Estate staff carry out their important role with empathy, tact and professionalism. Staffs always consult with beneficiaries, particularly regarding the sale of property and personal effects. Ultimately, we ensure that the wishes of the deceased are met.

The Estate Department also manages estates for people who have died intestate, (without making a Will) usually at the request of beneficiaries of the deceased person, or where there is no obvious next of kin. Where there is no known next of kin, Public Trustee actively seeks to locate the beneficiaries entitled to share in the distribution of the estate under the laws of intestacy.

In 2015, the section opened 66 estates valued at $4.12 million an increase of 10% from 2014 and settled and finalized 27 estates compared to 19 in 2014. In the year, some long outstanding estates back dating 10 to 20 years were also settled and finalized. There are over 330 estates on hand as at 31 December 2015 with a total value of $20.7 million.

Movement in Estates for the last 5 years

	2011	2012	2013	2014	2015
New Estates	47	45	62	57	66
Value of New Estates	$3M	$2.1M	$2.7M	$3.7M	$4.12M
Estates Settled & Closed	26	25	55	19	27

Trustee Services

Generally, a trust is a right in property (real or personal) which is held in a fiduciary relationship by one party for the benefit of another.

The Trust Team deals with trust administration services such as the FNPF/superannuation trust for minors, testamentary trusts through a Will; compensation trusts by appointment of court or individuals, disability trusts and living trusts. Like any trustee, the Fiji Public Trustee must protect trust assets and ensure they are managed and administered appropriately as per the conditions of the trust including those for minors and people of unsound mind.

The FPTCL's duties as trustee are to:

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

Life Interest is a trust created by a Will to allow a nominated beneficiary to live in a property for their lifetime. The Fiji Public Trustee retains ownership of the property for the life of the beneficiary known as the life tenant. On the death of the life tenant, the Will usually directs Fiji Public Trustee to distribute the house to another beneficiary or beneficiaries who are referred to as remainder men.

We also manage trust funds for a number of people with unsound mind and those with disabilities where we work closely with guardians to ensure that the welfare of the beneficiaries are taken care off.

In the last two years, the total number of new trusts dropped mainly from FNPF minor trust which is now administered by the High Court through changes in the FNPF Decree. The Corporation has since made applications to court on a case-by-case basis to assist minors in the proper management of their trust funds. We are now offering other trust services based on customer demand such as personal management services to help people manage their financial affairs.

In 2015, there were 74 new trusts with a value of $317K compared to 208 with a value of $280K in 2014. There were 586 trust accounts valued at $2.43 million fully settled in 2015 compared to 684 trusts valued at $2.76 million in 2014.

Trust Funds are invested in a common pooled fund, which is maintained by management and closely supervised by the Board of Directors. Investments are placed in managed funds, bank term deposits and government bonds for both income and growth.

Trust Funds on hand as 31 December in the last 5 years

	2011	2012	2013	2014	2015
No. of Trust A/C on Hand	11,860	12,436	10,171	9,821	9,309
Value of Trusts	$25.2M	$25.0M	$21.7M	$19.4M	$17.3M

Legal Services

The Legal team provides legal advice to the corporation pertaining to the corporation's role as an executor, trustee, manager and attorney consistent with relevant legislations.

The Legal services team also assists in the conduct of:

- Litigation for contested estate and trust matters and for Wills prepared by the Fiji Public Trustee;
- Guidance to staff on specific legal matters and in training and developing staff on legislation and legal updates;
- Conveyance work related to client estate, trust and administration matters;

The Legal Team also offers other legal services, which were introduced in 2014 and have become very popular with private executors and administrators of estates. This included:

- Executor assistance services;
- Application for grant to the high court;
- Transfer of Property;
- Tax Clearance;
- Legal conveyance work.

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

The Legal team also conducts regular refresher training for staff on the various Acts and legislations that directly affect the services provided by the Corporation. This includes changes to legislations, lessons from various estates, trust and wills cases from the local and the commonwealth jurisdiction.

A significant future challenge is the increase in volume of estates and cases with legal issues of increasing commercial complexity.

FIJI PUBLIC TRUSTEE CORPORATION LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

In accordance with a resolution of the Board of Directors, the directors herewith submit the statement of financial position of the Fiji Public Trustee Corporation Limited ("the corporation") as at 31 December 2015, the related statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and report as follows:

Directors

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

Mr. Ikbal Jannif (Chairman)
Ms.Berny Nicholls

Principal Activities

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

Results

The net operating profit for the year was $410,729 (2014: $709,737) after providing $88,526 (2014: $72,386) for income tax.

Dividends

The Directors declared dividend of $1,500,000 for the year.

Reserves

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

Bad and Doubtful Debts

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

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

Non-Current Assets

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

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

Related Party Transactions

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

Other Circumstances

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

Unusual Transactions

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

Events subsequent to balance date

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

Other circumstances

As at the date of this report:

i. no charge on the assets of the corporation has been given since the end of the financial year to secure the liabilities of any other person;

ii. no contingent liabilities have arisen since the end of the financial year for which the corporation could become liable; and

iii. no contingent liabilities or other liabilities of the corporation has become or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the corporation to meet its obligations as and when they fall due.

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

Directors' Benefits

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

Signed for and on behalf of the Board and in accordance with a resolution of the Directors.

Dated this 18th day of April 2016.

Chairman

Director

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
STATEMENT BY DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2015

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

i. the accompanying statement of comprehensive income of the corporation is drawn up so as to give a true and fair view of the results of the corporation for the year ended 31 December 2015;

ii. the accompanying statement of changes in equity of the corporation is drawn up so as to give a true and fair view of the changes in equity of the corporation for the year ended 31 December 2015;

iii. the accompanying statement of financial position of the corporation is drawn up so as to give a true and fair view of the state of affairs of the corporation as at 31 December 2015;

iv. the accompanying statement of cash flows of the corporation is drawn up so as to give a true and fair view of the cash flows of the corporation for the year ended 31 December 2015;

v. at the date of this statement there are reasonable grounds to believe the corporation will be able to pay its debts as and when they fall due; and

vi. all related party transactions have been adequately recorded in the books of the corporation.

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

Dated this 18th day of April 2016.

Chairman

Director

OFFICE OF THE AUDITOR GENERAL
Excellence in Public Sector Auditing

6-8TH Floor, Ratu Sukuna House
2-10 McArthur St
P.O.Box 2214, Government Buildings
Suva, Fiji

Telephone: (679) 330 9032
Fax: (679) 330 3812
Email:info@auditorgeneral.gov.fj
Website:http://www.oag.gov.fj

INDEPENDENT AUDITOR'S REPORT

To the members of Fiji Public Trustee Corporation Limited

Report on the Financial Statements

I have audited the accompanying financial statements of Fiji Public Trustee Corporation Limited, which comprise the statement of financial position as at 31 December 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information as set out on Notes 1 to 22.

Directors' and Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Audit Opinion

In my opinion:

a) proper books of account have been kept by the Fiji Public Trustee Corporation Limited, so far as it appears from my examination of those books; and

b) the accompanying financial statements which have been prepared in accordance with International Financial Reporting Standards:

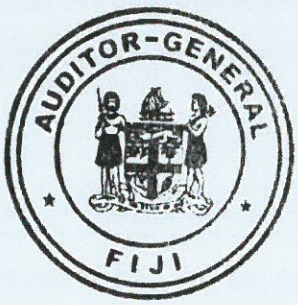
   i) are in agreement with the books of account; and

   ii) to the best of my information and according to the explanations given to me:

      a) give a true and fair view of the state of affairs of the Fiji Public Trustee Corporation Limited as at 31 December 2015 and of the results, movement in reserves and cash flows of the Corporation for the year ended on that date; and

      b) give the information required by the Fiji Public Trustee Corporation Act in the manner so required.

I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purposes of my audit.



Atunaisa Nadakuitavuki
for **AUDITOR GENERAL**

Suva, Fiji
26 April 2016

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 $	2014 $
Fees	3	635,250	580,285
Interest Income		512,650	493,252
Other Income		21,470	56,132
Total Revenue		**1,169,370**	**1,129,669**
General and administrative expenses	4	187,793	221,488
Selling expenses		20,232	23,354
Staff and employee costs	4	483,424	440,564
Total Expenses		**691,449**	**685,406**
Operating Profit before Income Tax		**477,921**	**444,263**
Income tax expense	6	88,526	72,386
Operating Profit after Income Tax		**389,395**	**371,877**
Other comprehensive income	3	21,334	337,860
Total Comprehensive Income for the Year		**410,729**	**709,737**

The accompanying notes form an integral part of this Statement of Comprehensive Income.

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Notes	2015 $	2014 $
Current Assets			
Cash and cash equivalents	5	499,425	1,480,354
Trade and other receivables	7	490,027	458,443
Other current assets	8	229,493	237,883
Total Current Assets		**1,218,945**	**2,176,680**
Non-Current Assets			
Deferred tax asset	6	4,059	2,671
Financial assets	9	6,872,603	5,451,269
Property, plant and equipment	10	1,891,581	1,909,688
Intangible assets	11	-	-
Total Non-Current Assets		**8,768,243**	**7,363,628**
Total Assets		**9,987,188**	**9,540,308**
Current Liabilities			
Trade payables and provisions	12	60,410	26,209
Dividend Payable		1,500,000	-
Total Current Liabilities		**1,560,410**	**26,209**
Non-Current Liabilities			
Deferred tax liability		-	-
Total Non-Current Liabilities		-	-
Total Liabilities		**1,560,410**	**26,209**
Net Assets		**8,426,778**	**9,514,099**
Shareholders' Equity			
Share Capital		2	2
Share premium reserve	13	99,998	99,998
Capital reserve	13	4,581,542	5,679,592
Revaluation reserve	13	359,194	337,860
Retained earnings		3,386,042	3,396,647
Total Shareholders' Equity		**8,426,778**	**9,514,099**

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

For and on behalf of the Board and in accordance with a resolution of the Directors.

Chairman

Director

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 $	2014 $
Share Capital			
Opening balance		2	2
Issues during the year		-	-
Closing balance		2	2
Reserves			
Share Premium Reserve			
Balance at the beginning of the		99,998	99,998
Balance at the end of the financial year		99,998	99,998
Capital Reserve			
Balance at the beginning of the financial year		5,679,592	5,690,897
Recovery/(Payment) on PTO debts/cases		1,950	(11,305)
Capital Reserve Redeemed		(1,100,000)	-
Balance at the end of the financial year		4,581,542	5,679,592
Revaluation Reserve			
Balance at the beginning of the financial year		337,860	-
Fair value movements		-	351,220
Unrealised gain/(losses) - Financial Assets		21,334	(13,360)
Balance at the end of the financial year		359,194	337,860
Total Recerves		5,040,734	6,117,450
Retained Earnings			
Opening balance		3,396,647	3,024,770
Net profit after tax for the year		389,395	371,877
Dividend declared		(400,000)	-
Closing balance		3,386,042	3,396,647
Total Shareholder's Equity		8,426,778	9,514,099

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

FIJI PUBLIC TRUSTEE CORPORATION LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 $	2014 $
Cash Flow from Operating Activities			
Receipt from customers		625,136	877,265
Payments to suppliers and employees		(594,729)	(789,884)
Interest received		512,650	549,384
Income taxes paid		(88,526)	(100,761)
Net cash provided by operating activities	16	**454,531**	**536,004**
Cash Flows from Investing Activities			
Acquisition of property, plant and equipment		(37,410)	(459,935)
Payment for investments		(1,400,000)	(600,000)
Net cash (used)/provided by investing activities		**(1,437,410)**	**(1,059,935)**
Cash Flows from Financing Activities			
Recovery/(Payment) on PTO debts/cases		1,950	(11,302)
Net cash (used by) Financing Activities		**1,950**	**(11,302)**
Net increase/(decrease) in cash		**(980,929)**	**(535,233)**
Cash at the beginning of the year		1,480,354	2,015,587
Cash at the end of the year	5	**499,425**	**1,480,354**

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

1 **Corporate Information**

Fiji Public Trustee Corporation Limited is a limited liability company incorporated and domiciled in Fiji. These financial statements were authorized for issue by the directors on 19th April 2016.

The principal activities of the corporation are described in Note 20.

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

Statement of compliance

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

(a) Basis of preparation

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

(b) Significant Accounting Judgements, Estimates and Assumptions

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

Judgements

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

Operating Lease Commitments

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

Estimations and Key Assumptions

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

Impairment of Non-Financial Assets

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

2 Statement of Significant Accounting Policies (continued)

(c) Taxes

Current Income Tax

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

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

Deferred Income Tax

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

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

- Where the deferred income tax liability arises from goodwill amortisation or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, except where the timing of the reversal of temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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

		2015 $	2014 $
10	**Property, Plant and Equipment (continued)**		
	Office Equipment		
	Cost at beginning of the year	155,817	122,788
	Additions during the year	761	33,029
	Disposals during the year	-	-
	Cost at 31 December	156,578	155,817
	Depreciation and impairment		
	Accumulated balance at beginning of the year	106,582	98,324
	Depreciation charge for the year	13,462	8,258
	Disposals/adjustments during the year	-	-
	Accumulated balance at 31 December	120,044	106,582
	Net book value - Office Equipment	**36,534**	**49,235**
	Motor Vehicles		
	Cost at beginning of the year	63,913	50,201
	Additions during the year	4,977	63,913
	Disposals during the year	-	(50,201)
	Cost at 31 December	68,890	63,913
	Depreciation and impairment		
	Accumulated balance at beginning of the year	36	50,165
	Depreciation charge for the year	12,326	72
	Disposals during the year	-	(50,201)
	Accumulated balance at 31 December	12,362	36
	Net book value - Motor Vehicles	**56,528**	**63,877**
	NET WRITTEN DOWN VALUE	**1,891,581**	**1,909,688**
11	**Intangible Assets**		
	Computer Software		
	Cost at beginning of the year	99,035	99,035
	Transfer from WIP during the year	-	-
	Additions during the year	-	-
	Cost at 31 December	99,035	99,035
	Amortisation and impairment		
	Accumulated balance at beginning of the year	99,035	99,035
	Depreciation charge for the year	-	-
	Disposals during the year	-	-
	Accumulated balance at 31 December	99,035	99,035
	Net book value - Intangible Assets	-	-

		2015 $	2014 $
12	**Trade, Other Payables and Provisions**		
	Trade payables and accruals	37,921	(3,376)
	Amounts payable to Trust and Estates	2,200	-
		40,121	**(3,376)**
	Provisions		
	Provision for Employee Entitlements		
	Balance at beginning of the year	13,352	7,284
	Arising during the year	20,289	13,352
	Amounts utilised/paid	(13,352)	(7,284)
	Balance at end of the year	20,289	13,352
	Provision for Income Tax		
	Balance at beginning of the year	16,233	44,608
	Arising during the year	88,526	24,047
	Amounts paid	(104,759)	(52,422)
	Balance at end of the year	-	16,233
	Total Provisions	**20,289**	**29,585**
	Trade & Other Payables and provisions	**60,410**	**26,209**
13	**Capital**		
	Authorised Capital		
	100,000,000 Ordinary Shares of $1.00 each	100,000	100,000
	Issued and Paid Up Capital		
	2 ordinary shares at $1.00 each	2	2
	Share Premium Reserve		
	Share premium paid on ordinary shares	99,998	99,998
	Capital Reserve		
	Balance at beginning of the year	5,679,592	5,690,897
	Recovery/(Payment) on PTO debts/cases Capital reserve re	1,950	(11,305)
	Capital Reserve Redeemed	(1,100,000)	-
	Balance at end of the year	4,581,542	5,679,592

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

	2015 $	2014 $
Revaluation Reserve		
Balance at the beginning of the financial year	337,860	-
Fair value movements - PPE	-	351,220
Unrealised gain/(losses) - Financial Assets	21,334	(13,360)
Balance at the end of the financial year	359,194	337,860

The asset revaluation reserve consists of increments arising from the revaluation of the corporation property, plant, equipment and unrealised gains or losses.

14 Commitments

a) Commitments - Nil (2014: Nil)
b) Operating lease commitments
Future operating lease rentals not provided for in the financial statements and payable:

	2015 $	2014 $
Not later than one year	35,087	35,087
Later than one year but not later than three years	-	-
Later than three years but not later than five years	-	-
Balance at end of the year	35,087	35,087

15 Trusts & Estates Under Management

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

	2015 $	2014 $
Assets		
Cash at Bank	1,466,833	926,862
Investments in Pooled Funds	27,089,000	29,308,000
Investments held individually	49,531	60,228
Non Cash Assets	18,337,522	14,768,466
Balance at end of year	46,942,886	45,063,556
Liabilities		
Provision for Trust Claims	2,374,569	2,415,649
Fees and other payables to the Corporation	477,361	231,611
Interest Due for Distribution	830,030	941,812
Balance at end of year	3,681,960	3,589,072

16 Notes to the Statement of Cash Flows

i) Reconciliation of net cash inflows from operating activities to operating profit after income tax:

Operating profit after income tax	389,395	709,737
Depreciation	55,517	35,185
Other comprehensive income	-	(337,860)
Changes in assets and liabilities:		
Decrease in receivables	(31,584)	-
(Decrease in accounts payable and accruals	34,201	296,980
(Decrease) in deferred income	-	(124,866)
(Increase) in prepayments	-	-
(Increase)/decrease in deferred tax asset	(1,388)	-
(Increase)/decrease in other assets	8,390	(12,985)
Increase in income tax payable	-	(815)
(Increase) in amounts payable to Trusts & Estates	-	(57,747)
(Decrease) in future tax liability	-	28,375
Decrease in provision for employee entitlement	-	-
Net cash provided by Operating Activities	**454,531**	**536,004**

17 Financial Risk Management Objectives and Policies

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

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

Market risk

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

Interest rate risk

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

Foreign currency risk

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

17 Financial Risk Management Objectives and Policies (continued)

Credit risk

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

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

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

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

	Carrying amount	
	2015	2014
	$	$
Cash and cash equivalents	499,425	1,480,354
Trade and other receivables	490,027	458,443
Held-to-maturity investments	6,872,603	5,451,269
	7,862,055	7,390,066

Liquidity risk

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

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

18 Contingent Liabilities

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

19 Related Parties

Transactions with related entities during the year ended 31 December 2014 with approximate transaction values are summarized as follows:

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

	2015	2014
	$	$
b. Transactions with directors for the year were:		
Directors' renumeration	19,807	29,500

20 Principal Activities

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

21 Subsequent Events

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

22 Registered Office

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

Fiji Public Trustee Corporation Limited
Public Trustee House
83-85 Amy Street, Toorak, Suva
PO Box 2276, Government Buildings
Suva.