



MEMBERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED



**Delivering Thrifty &
Credible Financial Solutions
to Shareholders**

ANNUAL REPORT 2016

Annual General Meeting
College Auditorium, Ba
April 2017

FIJI TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED

Board Members 2016-2019



AGNI DEO SINGH
Chairman



ARUN PRASAD
Secretary



PRANESH KUMAR
Treasurer



GOVIND SINGH
Vice Chairman



EMANUEL KUMAR
Asst. Secretary



AJESHNI LAL
Board Member



NAVINESH PRASAD
Board Member



GYAN PRASAD
Board Member



MUSTAFA KHAN
Board Member



NARAIN GOUNDER
Board Member



SASHI M. SHANDIL
Board Member



ROHIT DEO
Board Member

FIJI TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED

ANNUAL REPORT 2016

CONTENTS

1.0	Office Bearers	2
2.0	Supervisory Committee Report	3
3.0	Board Chairman's Message	4
4.0	Order Paper	5
5.0	Minutes of 2016 AGM	6
6.0	Annual Report for 2016-2017	12
7.0	Treasurers Report.....	17
8.0	Financial Report – CTCL	18
9.0	Defaulters List	34
10.0	Financial Report – Hideaway	35
11.0	Thanks & Appreciation	69
12.0	Resort Booking Procedures.....	70
13.0	Reminders.....	71

FIJI TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LTD

OFFICE BEARERS 2016 – 2019

Chairman	:	AGNI DEO SINGH
Vice Chairman	:	GOVIND SINGH
Secretary	:	ARUN PRASAD
Treasurer	:	PRANESH KUMAR
Assistant Secretary	:	EMANUEL KUMAR
Board Members	:	AJESHNI LAL
	:	GYAN PRASAD
	:	NARAIN GOUNDER
	:	SASHI MAHENDRA SHANDIL
	:	ROHIT DEO
	:	NAVINESH PRASAD
	:	MUSTAFA KHAN

SUPERVISORY COMMITTEE

Chairman	:	RAM LINGAM
Members	:	VIDYA SINGH
	:	MUNIAPPA GOUNDER

OFFICE STAFF

Chief Executive Officer	:	CHANDAR DUTT
Manager Admin/Finance	:	SUNITA CHAND
Accountant	:	VINEEL KISHORE
Loans Officer	:	AVINESH PRASAD
Loans Clerk	:	KRISHNEEL PRASAD
Senior Clerical Officer	:	RASHNEELA DEVI
Filing/Mailing Clerk	:	JOASH GOUNDAR
Receptionist	:	PRATISHMA KUMAR
Clerical Officer – Labasa	:	SHAMAL KUMAR
Clerical Officer – Lautoka	:	LITIKA RATNAM

PROPERTIES

Support Staff	:	LACHANNA REDDY
	:	SANDEEP CHAND

SUPERVISORY COMMITTEE'S REPORT

"Credit unions are gaining recognition among consumers for not only having avoided the problems that created today's financial mess, but for being a huge part of the solution. If there's calm in the economic storm, it may be credit unions, whose investors are sleeping through the night because data show credit unions to be an appropriate, safe choice among financial institutions." (West Orlando News)

It gives me immense pleasure to provide a report about the role and functions of the Supervisory Committee with regards to the successful functioning of the Fiji Teachers Union Co-operative Thrift and Credit Society Limited, which has been growing ever since it was formed years ago by some Union stalwarts. Mr. Muniappa Goundar and Mrs Vidya Singh are also part of the Supervisory Committee, which is responsible for ensuring that the affairs and internal and external audits of FTU-CTCL are conducted in accordance with the governing by-laws, policies, procedures and the resolutions adopted at the CTCL AGM.

Hence, the Supervisory Committee is pleased to report that the affairs of FTU-CTCL for the financial year 2016-17 has been carried out in accordance with the Board's policies, plans and procedures and properly administered. The Supervisory Committee attended board meetings and is delighted to report that last year was a fruitful, busy and dynamic year, especially with the excitement brought about by the construction of the honeymoon villas in Vuda and the great progress made by our own Fiji Hideaway Resort, which played an important part in the success of our Olympics team. It was a pleasure to rub shoulders with the gold medallists from Rio on the occasion of the celebration at the Fiji Hideaway Resort.

The Supervisory Committee acknowledges the

hard work of the Board and the Chairman. The Committee highly values the enormous progress and vast improvements made to FTU CTCL since its inception in 1977. Due to the foresightedness of the founding members today the entire membership of FTU-CTCL enjoys benefits from cheap interest rates on loans, dividend payouts (from shares and shares invested in Hideaway Resort) and savings.

Members should be proud of the fact that they own the Fiji Hideaway Resort, which supports sports and children's welfare in the coral coast. On the other hand, despite the hiccups, the Supervisory Committee is pleased with the progress in construction works in Vuda. Once completed, this project is earmarked to take FTU-CTCL to soaring heights. Hence, shareholders should note with appreciation, the hard work and efforts put in to ensuring that sound financial practices are observed in the daily operations of FTU-CTCL. This is reflected in the 2016-17 financial statements of FTU-CTCL.

Thus, the Supervisory Committee appreciates and commends the hard work of the Chairperson and his Board Members, the CEO and his Management at the Fiji Hideaway Resort, and the Manageress and her team at FTU-CTCL office in Suva. Without their diligent efforts, FTU-CTCL would not have climbed the ladder of success.

On behalf of the Supervisory Committee, I wish to extend my sincere gratitude to the membership of FTU-CTCL for giving us the opportunity to serve you. I also accord a big vinaka vakalevu to Mrs Vidya Singh and Mr. Muniappa Goundar for their support and attendance to the Supervisory Committee meetings and for the healthy and fruitful discussions and deliberations on all matters pertaining to the interests of FTU-CTCL. Long Live FTU-CTCL!

RAM LINGAM (CHAIRMAN)



RAM LINGAM



VIDYA SINGH



MUNIAPPA GOUNDAR

MESSAGE FROM THE BOARD CHAIRMAN



Dear Shareholders

I extend to you all warm greetings from the Board of Directors. 2017 was a year of challenges for us all. While we began with some ambitious plans, the devastation caused by super cyclone Winston put a halt to it all. The entire nation had to take stock of the extent of damage caused, and painstakingly begin the rebuilding exercise. Our organisation was no exception. Apart from assisting our own members in the worst affected areas we helped many schools with stationery and other needs through our parent body (FTU)

On a positive note it was heartening to see a swift response from those in less affected areas coming to the aid of the suffering. When a large number of people with strong human values come together, nothing is insurmountable. That is why the term "stronger than Winston" was very apt.

As a cooperative we operate in a similar manner. There are "saving members" and there are "borrowing members". Those who need to borrow are able to do so because of those who save. We assist each other to meet our needs.

It is "win win" situation because members earn a 4% on savings and pay 6% on borrowing. Both the rates are better than the market, considering the rules of investment in the commercial sector.

Our investment in the Hospitality Sector faced some setbacks as you will see in the Annual Report. Cyclone Winston was a major cause of the reduction in the rate of returns and had

a negative effect on the dividends. We are however on the path to recovery and should catch up in the next financial year.

Hideaway Vuda Resort with which was initially planned to begin operation with 15 keys is now increased to 27. The planned opening is in early June.

The Loans and Savings Scheme has had another good year and the 4% interest rate declared in the last AGM has been achieved. The Board will seek approval of the AGM to increase the Housing Loan Ceiling to \$115,000 with effect from July, 2017.

As this Annual Report is presented to the AGM, we look forward to constructive deliberations and meaningful outcomes.

AGNI DEO SINGH

FTU-CTCL ANNUAL GENERAL MEETING ORDER PAPER WEDNESDAY 26TH APRIL 2017

- 1.0 **Quorum:** Secretary to move.
"That this AGM has the necessary quorum as required by the FTU-CTC Ltd Regulation 16."
- No. Present: - Total Membership: -
- 2.0 **Notice Convening the Annual General Meeting**
Secretary to move - "That this AGM of FTU-CTC Ltd be convened in accordance with Regulation 14, due notice of which was published in The Fiji Times of 8th April 2017."
- 3.0 **Communication from the Chair**
- 4.0 **Minutes of the 2016 AGM**
Secretary to move - "That the Minutes of the 39th Annual General Meeting held at Yatu Lau Lagoon Resort, Pacific Harbour on Tuesday 16th August, 2016 at 9.45 am as circulated be taken as read and be confirmed."
- 4.1 **Matters Arising**
- 5.0 **Annual Report**
The Secretary to move - "That the Annual Report for the year 2016/2017 as circulated be received for discussion and be adopted."
- 6.0 **Financial Report**
The Treasurer to move - "That the Audited Financial Report for the period 1st January 2016 to 31st December 2016 as previously circulated be received for discussion and be adopted."
- 6.1 **Matters Arising**
- 7.0 **General Business** (if any)
- 8.0 **Motions** (if any)
- 9.0 **Adjournment of the Meeting**
The Secretary to move - "That the AGM be adjourned "Sine Die."

MINUTES OF 39TH ANNUAL GENERAL MEETING OF FTU-CTCL HELD AT YATU LAU LAGOON RESORT, PACIFIC HARBOUR, ON 16TH AUGUST, 2016 COMMENCING AT 9.45AM

1.0 QUORUM

Moved: Secretary

Seconded: Nakul Deo Barman

"That this AGM has the necessary quorum as required by the FTU – CTC Limited Regulation 16."

Total Membership: 4500

Members Present: 139

2.0 BOARD MEMBERS PRESENT

Mr. Agni Deo Singh, Mr. Govind Singh, Mr. Arun Prasad, Mr. Pranesh Kumar, Mr. Navinash Prasad, Mr. Sashi Mahendra Shandil, Mr. Mustafa Khan, Mr. Emanuel Kumar, Mr. Rohit Deo, Mr. Narain Gounder, Mrs. Gyan Prasad and Mrs Ajeshni Lal.

2.1 Supervisory Committee Member: Mrs. Vidya Singh

2.2 Staff: Mr. Chandar Dutt

2.3 Apologies:
Mr. Chandrika Prasad and Mr. Ram Lingam

3.0 NOTICE CONVENING THE ANNUAL GENERAL MEETING

Moved: Secretary

Seconded: Satish Chand

"That this Annual General Meeting of FTU – CTCL be convened in accordance with Regulation 14, due notice of which was published in the Fiji Times on 30th July, 2016."

4.0 WELCOME FROM CHAIR AND INTRODUCTORY REMARKS

The Chairman, Mr. A.D. Singh welcomed all the members present to the 39th Annual General Meeting of FTU-CTCL. He accorded a special welcome to Mr. Shiu Charan, a pioneer member of FTU –CTCL and also recognised the presence of some retired teachers who were still CTCL members. The Chairman invited Mr. Shiu Charan to speak to the members regarding the formation of the Co-operative. Mr. Charan spoke on the history of CTCS and the challenges they faced during the inception days. He said he was proud of the progress that CTCL had made over the years.

Chair accorded his sincere appreciation to Mr. Charan for his contribution. He said that Mr. Charan was still a shareholder of FTU-CTCL.

Chair said the year under review was a challenging one. However, CTCL did fairly well. There was a steady growth in paid up shares and the loans processed. The total assets amounted to \$81m. He said CTCL operated like a corporate organisation. He said unlike other corporate organizations which have Boards but the operation was looked after by the CEO, the FTU-CTCL Board was directly involved in the operations. The Board operates strategically whereby different sub-committees meet regularly. The Loans Committee meets every week, the Properties Committee meets as and when required, the Securities Committee looks at the loan securities and the Administrative Committee meets to handle the HR issues. The Finance Committee and the Board meet every month. The Supervisory Committee meets regularly to see the accounts. The monthly financial accounts are sent to the Supervisory Committee. All Board member loans are sanctioned by the Supervisory Committee.

He said the Loan Ceiling for housing was raised from \$90,000.00 to \$100,000.00 and this year the

Board intended to increase it to \$110,000.00 to meet the needs of the members. The repayment time would be increased to 20 years. The total cost of borrowing was still the lowest for CTCL.

The motor vehicle repayment was revised as follows:- The brand new vehicles – increased from 4 years to 5 years and 70% of the value taken as security. The Japanese second hand vehicles increased from 3 years to 4 years and 60 % of the value taken as security. For all other vehicles repayment time would be 3 years and 60% of the market value would be taken as security. However, motor vehicles up to the value of \$8,000.00 would not be accepted as security.

Chair explained that at the beginning of the year, a tender from insurance providers was called and at that time 3.5% was the best rate given by Dominion Insurance. However, market rates had gone down as pointed out by some of our members and upon doing a market survey, Fiji Care had offered insurance cover at 2% rate. All motor vehicle and property insurance would go to Fiji Care by the end of the year. The IMPS which was now 0.5%, was an in-house mortgage protection cover and in case a member had a \$10,000.00 share and was on housing loan and passed away, the beneficiary would get \$10,000.00 and the loan would be paid off via IMPS.

The Shareholders still received a 4% dividend for CTCL shares which would be paid after the AGM.

The CTCL Properties- the Nailuva flats, Rewa Street Hostel and Hideaway Coral Coast were doing well. There were some hurdles in the Hideaway Vuda Project, it started with \$3m and now it has reached to \$8m as some variations were done to meet the market demands. There were some problems with the previous contractor and his contract was finally terminated. The new contractor has progressed well and the Resort was expected to be completed by December, 2016. Once the resort was in operation, shares could be floated for members to buy. Marketing has begun in Singapore and Malaysia. Hideaway was picked by Tourism Fiji to be part of the marketing trip to Singapore and Malaysia. Chair said the next stage of Vuda development would be 16 keys.

The year under review will see members getting the previously announced 10% dividend. TC Winston had an adverse effect; the bookings were cancelled due to bad reporting – pictures of devastated areas portrayed a bad picture as well. Marketing had to be revamped. The tax increase was also affecting Hideaway revenue. Maintenance and repair work was needed at Hideaway Coral Coast. Future dividends would be determined considering all these factors.

Four players from the Hideaway Hurricanes Sevens Team were in the Rio Olympics Gold winning sevens rugby team. Chair announced that a reception for the Fiji Sevens Team would be held at Hideaway to honour them.

Chair said FTU- CTCL was the leading Credit Union in the South Pacific. Partnering with the Vice Chair of CTCL, who was also the Secretary General of COPE, CTCL was assisting the other Pacific Island's Teacher Unions to set up their Credit Unions. Kiribati was first to receive the technical assistance. Samoa would be next.

5.0 MINUTES OF THE 38th ANNUAL GENERAL MEETING

Moved: Secretary

Seconded: Mr. Rohitesh Sandeep Kumar

"That the Minutes of the 38th Annual General Meeting held at Rishkul Sanatan College Hall on Thursday 30th April, 2015 at 9.45 am as circulated, be taken as read and be confirmed."

- 5.1** The By-laws have been approved by Director of Co-operatives and it was now effective. The election of Board Members would be every three years now and one third of the Board needed to step down after three years. In a span of 9 years a new set of Board members would be in place. Chair said previously elections were held every year and FTU-CTCL still wanted to have it every year but the By-laws had to be followed.

6.0 ANNUAL REPORT- 2015

Moved: Secretary

Seconded: Mr. Shad Alfaz Ali

- 6.1** Secretary said the AGM gave the members the opportunity to the shareholders to have a say in the running of the organization. It also gave them the opportunity to be elected on the Board.
- 6.2** He reported that the authorized capital of the Co-operative was 100,000 divided into 100,000 shares of \$1.00 each.
- 6.3** The minimum number of shares to be held by each member was 20.
- 6.4** Chair informed the AGM that dividend payment was delayed due to the postponement of AGM to August. He said Remittance Slip was to be returned to the office if shareholders wanted their dividend cheques.
- 6.5** Those who do not return the Remittance Slip, their dividend would be added to their shares.
- 6.6** Members who have maximum Hideaway shares of \$5850.00 would get \$580.00 in dividend. If they wanted to re-invest in CTCL, then they would have to cash the dividend cheque and deposit in their CTCL account.
- 6.7** FOC Nights
 - 6.7.1** Secretary informed the members they needed to be aware of the rules and regulations of the FOC nights to avoid disappointment.
 - 6.7.2** He said when FOC nights were given to family and friends, the room was free but the occupants were to pay for the breakfast.
 - 6.7.3** He reported that the FOC nights would be reduced from 5 to 3 for the full share of \$5850.00
 - 6.7.4** He further reported that 5 shares of \$390.00 [\$1950.00] would qualify the shareholder for 1 FOC night.
 - 6.7.5** Chair said FOC night was a privileged which was given at the inception of the Scheme. The membership has grown and a review was to have been done after three years. The privileges are occasionally reviewed. He said the incoming Board would be looking into it and changes would be effective from next year.
- 6.8** Benefits Revisited
The Board's recommendation to increase the ceiling from \$90,000.00 to \$100,000.00 for all loans effective from September, 2016 and its further proposal that the Home Loan Ceiling, at the discretion of the Board, be increased from \$100,000.00 to \$110,000.00 was approved by the AGM.

Moved:Secretary

Seconded: Mr. Rohitesh Sandeep Kumar

7.0 FINANCIAL REPORT

Moved : Treasurer

Seconded: Mr. Vishal Raj

- 7.1** Treasurer reported that Defaulters as at 30th June, 2016 stood at \$79,938.89.
- 7.2** Chair stated that a member had politely asked him for the reason that the wages were lower than last year but the FNPF had substantially increased for the period under review.
- 7.3** Treasurer explained that the wages of Office Staff and the Operational Staff were shown separately and when added together it came to \$335,000.00 more than for the previous period hence the increase in FNPF. Another reason was the increase in employer contribution from 8% to 10%.
- 7.4** Chair said that in the aftermath of TC Winston the members affected were given loans of \$1,500.00 under the relief programme.
- 7.5** Chair said that the defaulters' cases were with the lawyers. Some have absconded

overseas. Defaulters' List was provided so that members could assist in the recovery of money owed.

8.0 DISOLUTION OF THE BOARD (2015-2016)

8.1 Mr. Rohitesh Sandeep Kumar thanked the Board for doing good work and added that the members expected the same in the coming year.

8.2 Chair thanked members of the Board for their contribution. He thanked the members for their support. He said the Board had been very vigilant in looking after the interest of its members and seeing that the investments of the members were secure. Chair also thanked the Supervisory Committee for their contribution in overseeing the work of the Board members. He expressed his sincere appreciation to the CEO and staff and management of CTCL. He also thanked the Hideaway Manager and the team for their hard work.

9.0 APPOINTMENT OF THE INTERIM CHAIRMAN

Mr. Pravin Chand moved the name of Mr. Muniappa Goundar, the FTU National President, as the Interim Chairman.

Seconded: Nukul Deo Barman

10.0 ELECTION OF BOARD MEMBERS 2016-2019

The following board members were elected:

No.	NAME	POSITION	MOVER	SECONDED
1	Agni Deo Singh	Chairman	Manhar Kumar	Manoj Kumar
2	Arun Prasad	Secretary	Nukul D. Barman	Seema Kumar
3	Pranesh Kumar	Treasurer	Vidya Singh	Sharina Riaz
4	Sashi Shandil	Board Member	Anit Kumar	Rameshwar Lal
5	Rohit Deo	Board Member	Manhar Kumar	Sueta Chaudhary
6	Ajeshni Chuahan	Board Member	A.D. Singh	Vidya Singh
7	Mustafa Khan	Board Member	Rohitesh Sandeep	Ajeshni Lal
8	Gyan Prasad	Board Member	Seema Kumar	Pranesh Kumar
9	Emanuel Kumar	Board Member	Arun Prasad	Mustafa Khan
10	Govind Singh	Board Member	Navinesh Prasad	Pravin Chand
11	Narain Gounder	Board Member	Apolisi Drasevu	Manoj Kumar
12	Navinesh Prasad	Board Member	Pravin Chand	Rohit Deo

Mr. Manhar Kumar moved the motion that the nominations be closed.

Seconded: Seema Kumar

11.0 SUPERVISORY COMMITTEE MEMBERS

The following members were elected as Supervisory Committee Members:

No.	Name	Moved by	Seconded by
1	Mr. Ram Lingam	Govind Singh	Anit Kumar
2	Vidya Singh	Gyan Prasad	Rohit Deo
3	Muniappa Goundar	Pratosh Kumar	Manhar Kumar

12.0 ADDRESS BY CHAIRMAN ELECT

The Chairman addressed the members and thanked them for their continued support. He assured the house that the Board would continue to strive to take the organisation to greater heights. Mr. Singh thanked the outgoing Supervisory Committee Member Mr. Chandrika Prasad and welcomed Mr. Muniappa Gounder. He congratulated the Board Members and thanked them for availing themselves for the three year term.

Vice Chairman and Secretary General of the Council of Pacific Education, Mr. Govind Singh, also thanked the house for re-electing the Board. He expressed gratitude to FTU – CTCL for going beyond the perimeters to provide technical assistance to sister Unions in the Pacific to develop and strengthen their Credit Unions. He added that this was the true spirit of Unionism, well appreciated by the affiliates of COPE.

Chair thanked the members present for their presence and participation in the meeting.

13.0 ADJOURNMENT

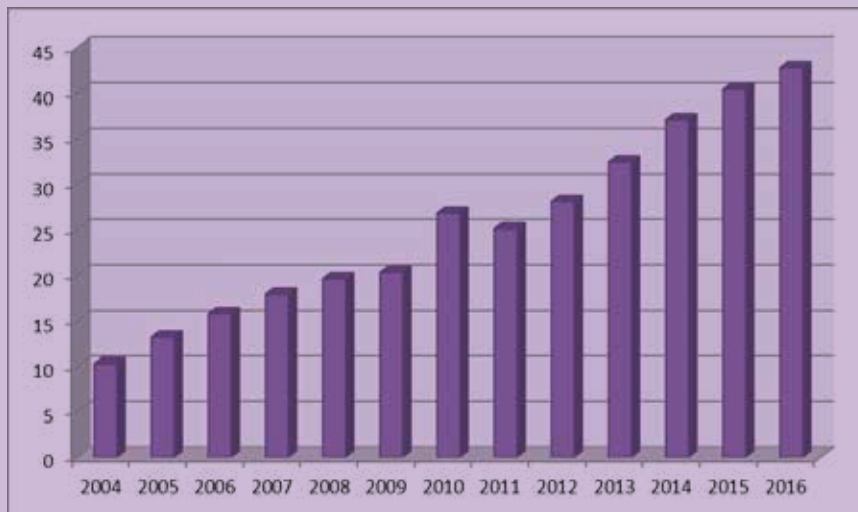
Meeting was adjourned at 11.40 am.

.....
Agni Deo Singh
CHAIRMAN

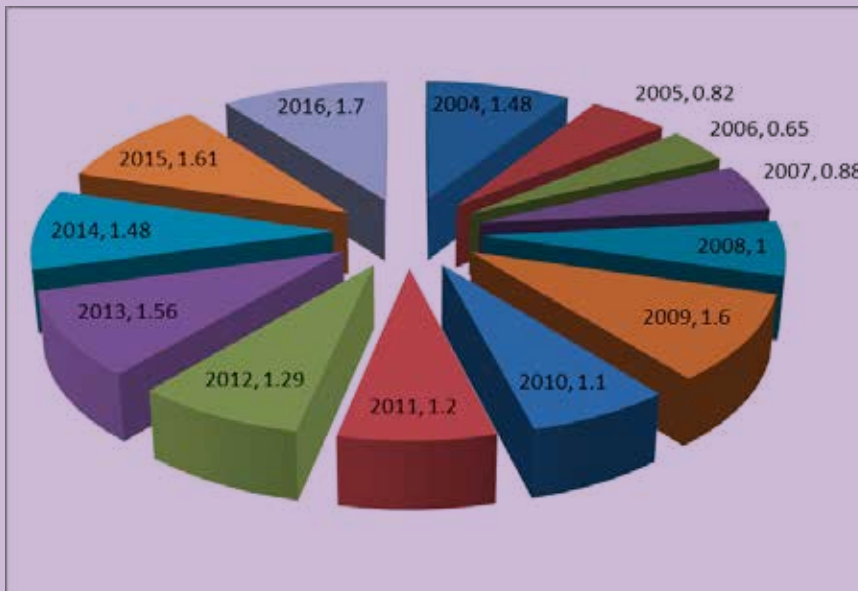
.....
Arun Prasad
SECRETARY

26th April, 2017

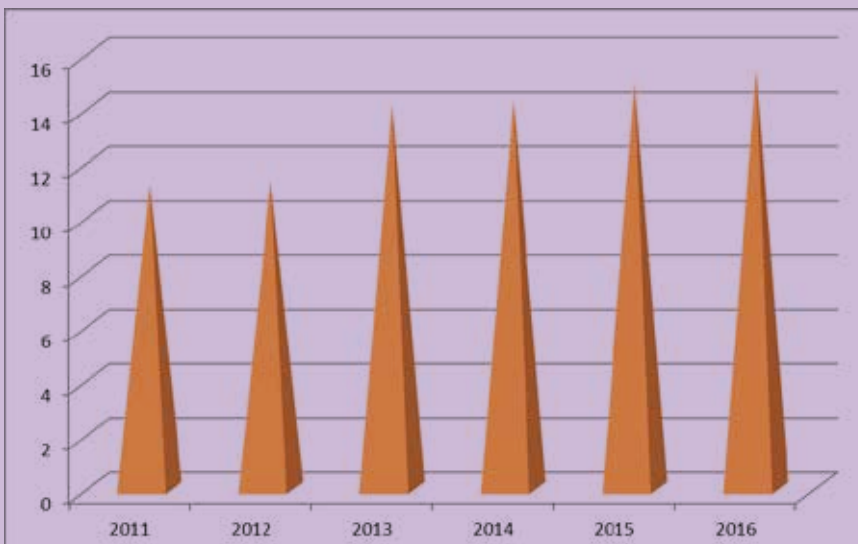
SHARE CAPITAL



ANNUAL TRADING RESULTS



ANNUAL TRADING RESULTS



FIJI TEACHERS' UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED ANNUAL REPORT AUGUST 2016 – MARCH 2017



1.0 INTRODUCTION

Co-operatives are formed to assist members in the same community or those involved in the same business. The members can purchase a share and their shares could be used to generate income and profits shared as dividends. Cooperatives are founded on the principle that people will join hands to assist each other. Ours is no different.

FTU – CTCL will continue to assist shareholders grow through easy borrowings and utilising facilities for savings.

In the last AGM, the ceiling for borrowing was raised to \$100,000.00 and for home loans members could borrow up to \$110,000.00.

The In –House Mortgage Protection Scheme interest, which was reduced to 0.5% from 1%, as per the decision of the 2013 Annual General Meeting remains.

We remain committed to assisting the share holders through the Co-operative.

The Annual Report, which incorporates the Financial Reports, is tabled for discussion and adoption.

2.0 FIJI TEACHERS' UNION – CREDIT THRIFT AND COOPERATIVE LIMITED

FTU – CTCL [then FTU – CTCS] was established in 1978 to assist members with financial needs. The pioneers found it difficult to convince the FTU members to join the Credit Union so that they could benefit from easier borrowings. However, some farsighted members did manage to get about 15 members on board and thus began the journey of FTU – CTCL.

Today we have more than 4000 members, with an estimate asset of over \$83 million.

Our profit is paid back to the members as dividends [70%] and the balance of 30% is accumulated as Reserve Fund, as per the requirement of Co-operative Act.

In October 2009, the Fiji Hideaway & Spa Resort was purchased at a price of \$12.9 M.

Shares, minimum \$390.00 and maximum of \$5850.00, were offered to the members and shareholders have been reaping 10% dividend on their investments. Members are encouraged to buy the full shares and benefit from the dividends paid.

3.0 FTU –CTCL CORE VALUES

- We will be fair and ethical in our dealings
- We will focus on our member benefits
- We will give you clear information about our products and services
- We will be a responsible lender
- We will deliver a high standard of service to shareholders
- We will deal fairly and impartially with all complaints
- We will recognise member / shareholder rights

- We will comply with our legal and industry obligations

4.0 FTU – CTCL SHARES

As at 31st December, 2016, the total shares issued stood at \$42,839,528.00 with shares of \$1 each.

There has been an increase of 6.12%, comparing with total shares as at 31st December, 2015 which stood at \$40,356,027.00

We will continue to educate Fiji Teachers Union members about the benefits of joining CTCL. Shareholders are encouraged to increase their shares for better benefits, both in terms of dividends and borrowings.

Membership drive will continue during the year. I must acknowledge the assistance given by all the FTU Branch Executives, Heads of Schools and members at large for their assistance during the membership drive.

5.0 FIJI HIDEAWAY RESORT & SPA

The Resort made a Net Profit of \$34,657.00 against last year's \$1,535,719.00.

Total revenue from sales and other income was \$10,827,335.00 in 2016 in comparison to \$12,171,421.00 in 2015, which is a decrease of 11.04% Percent.

Hideaway shareholder investment also grew by 13.36%, total share being \$10,991,422.00 compared to \$9,696,060.00 for the period ending December 2015.

Shareholders are informed that the major reason for the decline in income was because of TC Winston. A large number of visitors cancelled their bookings because of the Cyclone. The negative publicity also did not help as Fiji was portrayed as a nation "totally destroyed" by Winston. The prolonged absence of electricity did not help either. The 5% environmental levy imposed from January onwards also had an impact on our income as a lot of bookings were done in 2015 and we could not charge the 5% levy on visitors.

Aggressive marketing and competitive holiday packages have shown positive results and we are now enjoying much higher occupancy rates. With the present trend, 2017 is expected to be a good year.

6.0 HIDEAWAY FREE NIGHTS

FOC nights have been reduced from five to three.

Shareholders are reminded that that FOC Nights are for Frangipani Bures only. In the event the Bures are not available and shareholders still want to spend time at Hideaway on that particular day, then \$40 is to be paid for the upgraded room.

A minimum of \$20 per person per day on food / beverages to be spent to qualify for free breakfast.

7.0 VUDA HIDEAWAY RESORT & SPA - PROGRESS

The project which commenced in February 2014, is finally nearing completion.

It is anticipated that the Resort will go into the market from 1st June, 2017.

The Resort will target couples, who want to experience a quiet environment and at the same time

have excess to the sea and water activities.

The Resort also has a Wedding Chapel to accommodate those who want to get married in Fiji and who choose to stay with us. The next phase of 20 keys is now on the drawing board.

8.0 COMMITTEES AND MEETINGS

8.1 ADMIN COMMITTEE

Mr Agni Deo Singh [Chair]
Mr Arun Prasad
Mr Pranesh Kumar
Mr Chandar Dutt

The Admin Committee looks after all Human Resource matters including recruitment, terms and conditions, service delivery etc.

The Committee works closely with the CEO and the Operations Manager to ensure that standards are not compromised.

8.2 FINANCE COMMITTEE

Mr. Pranesh Kumar [Chair]
Mr. Narain Gounder
Mr. Navinesh Prasad
Mr. Emanuel Kumar
Ms. Gyan Prasad

The role of the Finance Committee is primarily to provide financial oversight for the organisation. This includes budgeting and financial planning, financial reporting and the creation and monitoring of internal controls and accountability policies. The Committee is also tasked with the examination of the monthly accounts of FTU-CTCL and Fiji Hideaway Resort & Spa. Our Auditor, H.N.Pande & Co, does the quarterly audits for CTCL whilst Price Waterhouse audits the Hideaway accounts.

8.3 LOANS COMMITTEE

Mr.Arun Prasad [Chair]
Mr. Pranesh Kumar
Mr. Narain Gounder
Mr. Emanuel Kumar
Mr. Rohit Deo
Mr. Mustafa Khan
Ms. Gyan Prasad

The Committee meets on Wednesdays to check loan applications and process loans. Shareholders are to note that all Loan Application Forms are to reach the Suva Office by 2pm on Tuesdays. It takes about four months to conclude Housing Loans and about two weeks to conclude Motor Vehicle Loans.

It is a regulatory requirement now that the latest pay slip is attached with the Loan Application Forms. The Office will check the deductions being made for individual members and then work out the fortnightly repayment as Salary Section will not deduct more than 50% from the individuals pay. In case of Housing Loans, deduction can be up to 75%.

8.4 SECURITIES COMMITTEE

Mr. Rohit Deo [Chair]
Mr. Govind Singh
Mr. Navinash Prasad

The Committee reports to the Board. It scrutinises security documents, repayments, defaulters and mortgage documents.

Any member who is caught to be falsifying documents and sending as a security to obtain loan will be referred to the Board for disciplinary action or referred to police, depending on the Board's ruling.

8.5 PUBLICITY COMMITTEE

Ms. Ajeshni Lal [Chair]
Mr. Arun Prasad
Mr. Pranesh Kumar
Mr. Mustafa Khan

The Publicity Committee is tasked to prepare Newsletters, take pictures of special events and store for use in the future.

8.6 PROPERTIES COMMITTEE

Mr. A.D.Singh [Chair]
Mr. Govind Singh
Mr. Arun Prasad
Mr. Emanuel Kumar
Mr. Pranesh Kumar

The Committee meets as and when required. 2016 / 2017 has been busy years for the Committee as it had to meet often to ensure completion of the Vuda Project. For the last few weeks, the Committee made weekly visits and had meetings with the Contractor and other service providers regarding the "work progress."

9.0 BENEFITS REVISITED

9.1 Loan Ceiling has been increased to \$100,000.00. Housing loan has been increased to \$110,000.00.

9.2 Re-payment time has been increased from 18years to 20 years.

9.3 Motor Vehicle loan Re-payment has been re-scheduled as follows:

- Brand new vehicles – increased from 4 years to 5 years.
70% of the value is taken as security.
- Japanese second hand vehicles – repayment period now is 4 years.
60% of the value is taken as security.
- All other Motor Vehicles – repayment period is 3 years
- Motor Vehicles up to the value of \$8,000.00 is not accepted as a security.

9.4 M-Paisa – Shareholders are enjoying the benefits of money transfer via M-Paisa provision.

9.5 In-House Mortgage Protection Scheme [IMPS] – as per the resolution of 2013 AGM, the IMPS has been reduced to 0.5%, from 1.0%. This provision is not applicable to retired teachers, who would want to borrow from FTU – CTCL.

9.6 Motor Vehicle and Housing Loan Insurance – All vehicles provided as securities for

loans are insured through the scheme. Members wishing to terminate the policy on completion of loan repayment must inform the management in writing. Otherwise, CTCL will continue to insure your motor vehicle.

With effect from 1st January, 2017, FTU-CTCL has gone into an agreement with Fiji Care Insurance Limited for all Motor Vehicle and House Owners insurance. Basic excess for each claim - \$350.00, Windscreen is \$100.00 and Motor Vehicle Premium is 2% on sum insured.

- 9.7** Retired Members – provision is there for them to do lump sum deposits and they can withdraw and deposit money at their convenience.

CONCLUSION

Our strength is YOU, our shareholders. You have shown confidence in the organisation by turning to it for your financial and other needs. Many shareholders have increased their deductions so as to maximise savings.

We will continue to interact with the shareholders and listen to their concerns and where applicable, we will make adjustments to ensure improved services. This AGM provides opportunities to the shareholders to voice suggestions and give directions to the Board.

We are confident that CTCL and Hideaway Resort will continue to enjoy sustained growth and will achieve higher returns on our capital employed.

We anticipate a good return from Vuda Resort as well.

I take this opportunity to thank the Chairman, the Board of Directors, the Chief Executive Officer, the Manageress FTU – CTCL, the Operations Manager of Fiji Hideaway Resort & Spa, members of the Supervisory Committee, the staff of FTU-CTCL and the staff of Hideaway for the commitment shown towards the organisation.

Finally, I wish to accord my sincere thanks and appreciation to all our valued shareholders for rallying behind the organisation in its journey of delivering consistent, competitive, profitable and responsible growth.

Thank you for your confidence, unwavering support and loyalty.

Vinaka Vakalevu



ARUN PRASAD
BOARD SECRETARY
26th April, 2017

TREASURER'S REPORT



I would like to present the Fiji Teachers Union – Co-operative Thrift and Credit Limited accounts for the financial year ending 31st December 2016.

Accounting is the systematic and comprehensive recording of financial transactions pertaining to a business, and it also refers to the process of summarizing, analyzing and reporting these transactions to oversight agencies and the operating results. Accountants use generally accepted accounting principles (GAAP) when preparing financial statements. GAAP is a set of standards related to balance sheet identification, outstanding share measurements and other accounting issues, and its standards are based on double-entry accounting, a method which enters each expense or incoming revenue in two places on a company's balance sheet.

FTU – CTCL is a co-operative organisation that is based on the shareholders of the business. Thus, the annual accounts of the company is a direct reflection of the operating results of the business.

FTU-CTCL presents a consolidated report of the Co-operative and the Fiji Hideaway Resort & Spa. It reflects the annual report of the two entities. The accounts, audited by H. N. Pande and KPMG, are included with the Annual Report and are available for perusal.

Our interest on investment for the year was approximately \$1 713 581 resulting in an overall deficit of \$179 842. This was due to the aftermath of Tropical Cyclone Winston which resulted in a much lower profit as forecasted in the 2016 period.

On the contrary, assets grew to a record of \$106m with shareholders showing a strong commitment to their investment. There has been a robust growth as investment increases with the loans as well. Loans portfolio stood at \$45m and owners' equity valued \$74m. This proliferation is due to the Fiji Hideaway Resort & Spa Vuda project which is on the verge of completion and will be in the market soon.

Members continue to increase their shares in the co-operative and invest lump sum deposits for a better return on their investment funds. New members are also taking advantage of the shareholding as they continue to join the co-operative for better services and automated delivery. This has been made possible via the website www.ftuctcl.com.fj.

Resort share purchase is also well maintained by the existing shareholders and new shares will be available for sale as shares are allotted in the financial year.

My sincere gratitude to the Board, the management, and the accounts personnel who are always abreast with the financials so that the monthly accounts are kept intact. This is continually scrutinized by the Finance Committee on a monthly basis.

I now commend the financial report to this Annual General Meeting for discussion and adoption.

PRANESH KUMAR

FIJI TEACHERS UNION
CO-OPERATIVE THRIFT & CREDIT LTD
FINANCIAL STATEMENTS
31ST DECEMBER 2016

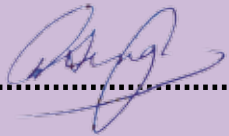
FIJI TEACHERS UNION - CO-OPERATIVE THRIFT AND CREDIT LIMITED**FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST DECEMBER 2016**

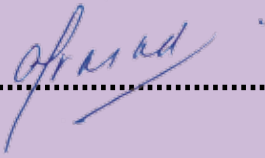
<u>CONTENTS/INDEX</u>	<u>PAGES</u>
Statement by Office Bearers	1
Auditors' Report	2
Consolidated Statement of Financial Position	3
Disclaimer Statement	4
Statement of Financial Position	5
Statement of Comprehensive Income	6
Statement of Financial Position for CTCL Properties	7
Statement of Comprehensive Income for CTCL Properties	8
Schedule of Fixed Assets and Depreciation	9
Notes To and Forming Part of the Accounts	10


FIJI TEACHERS UNION - CO-OPERATIVE THRIFT AND CREDIT LIMITED

STATEMENT BY OFFICE BEARERS
FOR THE YEAR ENDED 31ST DECEMBER 2016

We, the Chairman, Secretary and Treasurer respectively, of **FIJI TEACHERS UNION - CO-OPERATIVE THRIFT AND CREDIT LIMITED** hereby state that in our opinion the accounts of the Union as set out on pages 3 to 10 are properly drawn up so as to give a true and fair view of the state of the Union's financial position as at 31st December 2016 and of the results of its operations for the period then ended. We confirm that we have made available all records and information as required by the auditors.

Chairman : 

Secretary : 

Treasurer : 

Dated at Suva **this** 18th **day of** APRIL, 2017.

H.N. PANDE & CO.

Chartered Accountants
 Parshant Chambers
 Fiji Teachers Union Building
 3 Berry Road, Suva
 Email: mohn@connect.com.fj

H.N. (DICK) PANDE C.A., B.A.(FIJI) PG DAFM(FIJ) ACIS(UK) NZIM(NZ) FTIA(AUST)

TELEPHONE: 331 1512, 331 2955
 FAX : HN PANDE (679) 330 5978
 P. O. BOX 1283, SUVA, FIJI

SCHEDULE 2

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2016

INDEPENDENT AUDIT REPORT

Scope

We have conducted a financial audit of the financial statements, records and procedures of **Fiji Teachers Union-Co-operative Thrift and Credit Limited** and hereby submit a report on our findings.

Our audit has been carried out in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities to provide reasonable assurance as to which the records are free from material misstatements.

Our procedures included examination on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluations of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether on all material aspects, the financial statements are presented in accordance with International Financial Reporting Standards for Small and Medium-sized Entities so as to present a view which is consistent with our understating of the Co-operative's financial position and the results of its operations as set out in on Schedules 3 to 10.

Board and Management's Responsibility for the Financial Statements

The board and management are responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities. 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.

9387

Auditor's Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We have conducted the audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the Auditor considers internal control relevant to the Co-operative'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 Co-operative'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.

Audit Opinion

In our opinion;

- a) Proper books of account have been kept by CTCL as per our examination of those books.
- b) The accompanying accounts have been prepared under the historical cost convention stated to the accounts, gives a true and fair view of the state of affairs of **Fiji Teachers Union-Co-operative Thrift and Credit Limited** as at 31st December 2016 and this results for the year ended on that date according to the best of information and explanation kept and supplied to us and shown by the books of CTCL.



H. N. PANDE & COMPANY
CHARTERED ACCOUNTANTS

13th April, 2017
Suva, Fiji

Schedule 3

FIJI TEACHERS UNION – COOPERATIVE THRIFT AND CREDIT LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2016

	<u>NOTES</u>	<u>2016</u>	<u>2015</u>
CURRENT ASSET		\$	\$
Cash at Bank	<u>24</u>	4,093,511	4,286,779
Cash on Hand		400	400
Deposit – Rent		1,850	1,850
Income Receivable		1,272,374	782,722
Loan Receivable		45,066,349	42,460,481
Loan Receivable - Hideaway Resort		10,991,422	9,696,060
Rent Receivable		13,700	36,800
Vodafone M-Paisa Imprest (Business & Agency)	<u>25</u>	100,000	110,000
		<u>\$ 61,539,606</u>	<u>\$ 57,375,092</u>
NON CURRENT ASSETS			
Fixed Assets	<u>7</u>	30,469,063	9,939,479
		<u>\$ 30,469,063</u>	<u>\$ 9,939,479</u>
INVESTMENT			
Shares	<u>8</u>	13,880,119	13,880,119
		<u>\$ 13,880,119</u>	<u>\$ 13,880,119</u>
TOTAL ASSETS AND INVESTMENTS		<u>\$ 105,888,788</u>	<u>\$ 81,194,690</u>
CURRENT LIABILITIES			
Interest Payable	<u>10(b)</u>	1,713,581	1,614,241
Provision for Dividend	<u>10(a)</u>	27,726	1,019,798
Rent Deposit		59,162	55,362
Trade Creditors & Sundry Accruals	<u>9</u>	8,797	8,635
		<u>\$ 1,809,266</u>	<u>\$ 2,698,036</u>
LONG TERM LIABILITY			
Term Loan - Hideaway (WBC)		8,534,480	9,288,646
- Tower		3,364,237	3,445,034
- Rewa Street		1,071,780	1,136,014
- Vuda (WBC)		7,841,835	-
- Vuda (Internal)		2,745,638	2,706,581
- Hideaway Resort		6,427,153	6,523,110
		<u>\$ 29,985,123</u>	<u>\$ 23,099,385</u>
NON CURRENT LIABILITY			
Deffered Tax Liability		\$ -	17,926
TOTAL LIABILITIES		<u>\$ 31,794,389</u>	<u>\$ 25,815,347</u>
NET ASSETS		<u>\$ 74,094,399</u>	<u>\$ 55,379,343</u>
ACCUMULATED FUNDS			
Equity-CTCL Properties		15,867,784	566,656
In-house Mortgage Protection (IMP)	<u>3</u>	2,360,386	2,184,978
Members Hideaway Share	<u>4</u>	10,991,422	9,696,060
Members contribution	<u>5</u>	42,839,528	40,356,027
Reserve Fund	<u>6</u>	2,877,921	2,931,874
Retain Loss - Properties		(842,642)	(306,830)
Period End Adjustment	<u>23</u>	-	(49,421)
		<u>\$ 74,094,399</u>	<u>\$ 55,379,343</u>



CHAIRMAN



TREASURER



SECRETARY

18/4/17

DATE

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

Schedule 4

DISCLAIMER STATEMENT

The additional financial data presented on the following schedules are in accordance with the books and records of **Fiji Teachers Union – Co-operative Thrift and Credit Limited**, which have been subjected to the auditing procedures applied in our statutory audit of CTCL for the year, ended 31 December 2016. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on this financial data and no warranty of accuracy or reliability is given.

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person in respect of this data, including any errors or omissions therein, arising through negligence or otherwise however caused.

Suva, Fiji Islands

th
13 April 2017



H.N.PANDE
Chartered Accountant

Schedule 5

FIJI TEACHERS UNION – COOPERATIVE THRIFT AND CREDIT LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2016

	<u>NOTES</u>	<u>2016</u> <u>\$</u>	<u>2015</u> <u>\$</u>
CURRENT ASSET			
Cash at Bank		1,483,737	1,020,150
Cash at Bank - Dividend		77,056	51,966
Cash at Bank - IMP		1,241,115	1,187,119
Cash at Bank - RF		671,667	1,605,974
Cash on Hand		300	300
Income Receivable		1,084,378	594,726
Loans Receivable		45,066,349	42,460,481
Loans Receivable - Hideaway Resort	<u>4</u>	10,991,422	9,696,060
Rent Deposit		1,850	1,850
Vodafone M - Paise Imprest (Agency)	<u>25</u>	-	10,000
Vodafone M - Paise Imprest (Business)	<u>25</u>	100,000	100,000
		<u>\$ 60,717,874</u>	<u>\$ 56,728,626</u>
<u>Fixed Assets</u>	<u>7</u>	<u>\$ 70,891</u>	<u>\$ 78,830</u>
INVESTMENT			
Fiji TV Share at Cost	<u>8</u>	2,000	2,000
		<u>\$ 2,000</u>	<u>\$ 2,000</u>
TOTAL ASSETS AND INVESTMENT		<u>\$ 60,790,765</u>	<u>\$ 56,809,456</u>
CURRENT LIABILITIES			
Trade Creditors & Sundry Accruals	<u>9</u>	7,927	7,579
Interest Payable	<u>10(b)</u>	1,713,581	1,614,241
Provision for Dividend	<u>10(a)</u>	-	50,192
		<u>\$ 1,721,508</u>	<u>\$ 1,672,012</u>
NON CURRENT LIABILITY			
Deferred Tax Liability		<u>\$ -</u>	<u>\$ 17,926</u>
TOTAL LIABILITIES		<u>\$ 1,721,508</u>	<u>\$ 1,689,938</u>
NET ASSETS		<u>\$ 59,069,257</u>	<u>\$ 55,119,518</u>
ACCUMULATED FUNDS			
In-house Mortgage Protection	<u>3</u>	2,360,386	2,184,978
Members contribution	<u>5</u>	42,839,528	40,356,027
Member Hideaway Shares	<u>4</u>	10,991,422	9,696,060
Reserve Fund	<u>6</u>	2,877,921	2,931,874
Period End Adjustment	<u>23</u>	-	(49,421)
TOTAL		<u>\$ 59,069,257</u>	<u>\$ 55,119,518</u>


 CHAIRMAN


 TREASURER


 SECRETARY


 DATE

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

FIJI TEACHERS UNION – COOPERATIVE THRIFT AND CREDIT LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2016

<u>INCOME</u>	<u>NOTES</u>	<u>2016</u>	<u>2015</u>
		<u>\$</u>	<u>\$</u>
Bank Interest		44,762	28,432
Profit Share - Insurance		-	29,838
Entrance Fee		960	576
Loan Interest - CTCL		1,763,434	1,586,363
- Tower/Rewa		210,195	182,935
- Hideaway	<u>28</u>	385,629	370,316
Unclaimed dividend		12,828	105,682
Resort Administrative Fee		27,146	30,341
Sundry Income	<u>27</u>	30,223	26,823
TOTAL INCOME		<u>\$ 2,475,177</u>	<u>\$ 2,361,306</u>
<u>LESS EXPENDITURE</u>			
Advertising		573	2,870
Annual General Meeting	<u>21</u>	33,059	24,024
Audit Fee		13,000	13,000
Bank Charges		10,932	4,623
Board Honorarium		2,850	2,900
Board Member Allowance		14,111	14,453
Computer Upkeep		12,442	16,953
Depreciation (as per schedule)	<u>29</u>	28,662	26,917
Dispenser		325	192
EDP Commission		362	292
Electricity		9,232	9,436
Fax		276	358
FNPF Employer Contribution		11,558	10,736
FNU Levy		1,732	1,444
General Expenses		955	-
Insurance		3,206	3,284
Interest on Investment	<u>10(b)</u>	1,713,581	1,614,241
Internet		4,458	4,338
Legal Fee		-	2,041
Office Expenses		10,470	5,400
Office Rent		27,462	27,390
Post Box Rental		39	41
Postage & Stamps		13,281	16,410
Print/Stationery	<u>22</u>	35,909	32,540
R/M Motor Vehicle		-	(2,989)
Repair & Maintenance		811	415
Salaries & Wages		141,290	121,370
Telephone		15,541	14,857
Training		460	150
Travel & Accomodation		12,139	4,405
Water		491	880
TOTAL EXPENSES		<u>\$ 2,119,207</u>	<u>\$ 1,972,971</u>
Operating Profit		<u>355,970</u>	<u>388,335</u>
Add: Other Income		<u>-</u>	<u>-</u>
Net Income/(Loss) from Investment Account after Tax		<u>(535,812)</u>	<u>(298,706)</u>
		<u>(179,842)</u>	<u>89,629</u>
Less Provision for Tax		<u>-</u>	<u>17,926</u>
NET (Loss)/Surplus For The Year after Tax		<u>\$ (179,842)</u>	<u>\$ 71,703</u>

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

Schedule 7

FIJI TEACHERS UNION – COOPERATIVE THRIFT AND CREDIT LIMITED
STATEMENT OF FINANCIAL POSITION FOR CTCL PROPERTIES
AS AT 31ST DECEMBER 2016

	<u>NOTES</u>	<u>2016</u> \$	<u>2015</u> \$
CURRENT ASSETS			
Cash at Bank		40,580	111,252
Cash at Bank - Dividend		578,465	310,333
Cash at Bank - Hideaway Reserve Fund		891	(15)
Income Receivable	<u>14</u>	187,996	187,996
Petty Cash		100	100
Rent Receivable		13,700	36,800
TOTAL CURRENT ASSETS		\$ 821,732	\$ 646,466
FIXED ASSETS			
	<u>7</u>	\$ 30,398,172	\$ 9,860,649
INVESTMENT			
Investment - Hideaway Resort	<u>8</u>	\$ 13,878,119	\$ 13,878,119
TOTAL ASSETS		\$ 45,098,023	\$ 24,385,234
CURRENT LIABILITIES			
Accounts Payable	<u>9</u>	870	1,056
Rent Deposit		59,162	55,362
Provision for dividend	<u>10(a)</u>	27,726	969,606
		\$ 87,758	\$ 1,026,024
LONG- TERM LIABILITIES			
Term Loan			
- Hideaway (WBC)		8,534,480	9,288,646
- Tower		3,364,237	3,445,034
- Vuda (WBC)		7,841,835	-
- Rewa Street Hostel		1,071,780	1,136,014
- Vuda (Internal)		2,745,638	2,706,581
- Special Loan - Hideaway Shares		6,427,153	6,523,110
		\$ 29,985,123	\$ 23,099,385
TOTAL LIABILITIES		\$ 30,072,881	\$ 24,125,409
NET ASSETS		\$ 15,025,142	\$ 259,826
ACCUMULATED FUNDS			
Equity		15,867,784	566,656
Retained Earnings	<u>11</u>	(842,642)	(306,830)
TOTAL FUNDS		\$ 15,025,142	\$ 259,826

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

FIJI TEACHERS UNION – COOPERATIVE THRIFT AND CREDIT LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2016

	<u>NOTES</u>	<u>2016</u> <u>\$</u>	<u>2015</u> <u>\$</u>
INCOME			
Bank Interest		1,049	1,030
Investment Income	<u>12</u>	34,657	1,535,719
Rental Income		415,551	433,329
Sundry Income		120	-
TOTAL INCOME		<u>\$ 451,377</u>	<u>\$ 1,970,078</u>
EXPENDITURE			
Advertising		55	-
Bank Charges		550	-
Business Licences		873	921
Chemicals		110	1,643
City Rate	<u>15</u>	8,368	8,687
Commission		-	900
Depreciation		53,162	58,766
Dividend Expenses	<u>10</u>	-	969,606
Electricity		9,104	11,119
General Expenses		867	539
Insurance	<u>16</u>	37,057	13,163
Interest on Loan - External	<u>13</u>	533,488	528,630
- Tower		236,863	242,597
Legal Expense		651	-
Pest Control	<u>17</u>	5,100	4,485
Pool Maintenance		505	-
Repair & Maintenance - Building	<u>18</u>	24,902	20,620
- Equipment	<u>19</u>	2,898	11,087
- Lift	<u>20</u>	7,893	3,826
- Furniture & Fittings		-	2,400
Salaries		24,177	23,765
Telephone		195	165
Travel		49	63
Water		5,147	1,657
TOTAL EXPENSES		<u>\$ 952,014</u>	<u>\$ 1,904,639</u>
NET SURPLUS / (DEFICIT) BEFORE TAX		<u>\$ (500,637)</u>	<u>\$ 65,439</u>
Less Tax Expense	<u>26</u>	<u>\$ 35,175</u>	<u>\$ 364,145</u>
NET SURPLUS / (DEFICIT) for the year		<u>\$ (535,812)</u>	<u>\$ (298,706)</u>

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

FIJI TEACHERS' UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED															Schedule 9
Schedule of Fixed Assets and Depreciation															
For the year ended 31st December 2016															
Particulars	Date Purchased	Cost	WDV 1/1/2016	Additions	COST			Rates Int	Rates Ord	Acc BF	DEPRECIATION		Acc CF	WDV 12/31/2016	
					Retirement	Balance					Disposal	Ord			
OFFICE FURNITURE															
Binding Machine	28/12/2005	495	1			495			10	495		1	495	-	
Broadband		281	15		281	-			10	281	281	-	-	-	
Cabinet	16/05/2005	1,320	-		1,320	-			10	1,320	1,320	-	-	-	
Camera	9/3/2000	691	-			691			10	691		-	691	-	
Computers		69,616	5,498	6,940		76,556			10	64,118		7,656	71,774	4,782	
Cabinet	30/04/2005	7,480	3,361	738		8,218			10	4,119		822	4,941	3,277	
Labasa Office Renovation		14,068	10,834	4,160		18,228			10	3,234		1,823	5,057	13,171	
Motor Vehicle - HA 278	31.10.2012	46,000	19,780			46,000			18	26,220		8,280	34,500	11,500	
Multimedia - OHP		2,520	-			2,520			10	2,520		-	2,520	-	
Office furniture		22,834	2,040	779		23,613			10	20,794		2,361	23,155	458	
Office Renovation	12/12/2001	61,580	25,876			61,580			10	35,704		6,158	41,862	19,718	
Juda Property		11,680	5,988			11,680				5,692		-	5,692	5,988	
Telephone Xceed (New)	13/03/2013	5,612	4,490			5,612			10	1,122		561	1,683	3,929	
Utensils	17/12/1998	136	-			136			10	136		-	136	-	
Vacuum Cleaner	8/12/2000	492	-		492	-			10	492	492	-	-	-	
Y2K Programme	31/12/1999	4,290	-		4,290	-			10	4,290	4,290	-	-	-	
Cabinet	31.12.09	1,160	406			1,160			10	754		116	870	290	
Office Equipment		726	541	8,121		8,847			10	185		885	1,070	7,777	
TOTAL		\$ 250,981	\$ 78,830	\$ 20,738	\$ 6,383	\$ 265,336				\$ 172,167	\$ 6,383	\$ 28,662	\$ 194,445	\$ 70,891	
The accompanying notes form an integral part of these accounts.															

[illegible]

Schedule 10

FIIJ TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2016

- 1** Fiji Teachers Union Co-Operative Thrift Limited is registered under the Co-operative Limited ordinance (Cap 219) 1947 and is engaged largely on promoting the development of Co-operative ideas and improving the economic and social contribution of its members.

2 STATEMENT OF ACCOUNTING POLICIES

The Accounting policies adopted by FTU-CTCL are in accordance with the Accounting standards recommended by the Fiji Institute of Accountants and or by law. The accounts have been prepared on the basis of Historical Cost and do not take into account changing money values. Set out below is a summary of significant accounting policies adopted by the Society where there exists a change between two or more acceptable methods.

2.1 INCOME AND EXPENDITURE

All income and expenditure have been treated on an accrual basis.

2.2 DEPRECIATION OF FIXED ASSETS

Fixed assets are depreciated on straight line basis rates estimated to write the assets off over the useful lives.

3 IN-HOUSE MORTGAGE PROTECTION

Opening Balance as at 1st January ,2016

add: Current year IMP

Balance as at 31st December, 2016

4 MEMBER HIDEAWAY SHARE

As per AGM progressive Share purchase @ \$390.00 per year since 2009 has been allocated to members as interest free loan and prima - facia dividend to be paid annually.

5 MEMBERS CONTRIBUTION

Opening Balance as at 1st January 2016

Add: Contribution during the year

Less: Refunds / Withdrawals

Less: Total shares transferred to loan a/c

Balance as at 31 December, 2016

6 RESERVE FUNDS

Opening Balance as at 1st January 2016

Add: Net Profit after income tax taken as 30% Reserve Fund

Non - Fixed rate basis to be declared at time of call

Balance as at 31st December 2016

7 FIXED ASSETS

Fiji Teachers Union CTCL (Refer to Depreciation Schedule)

Fiji Teachers Union CTCL - Resort (Refer to Depreciation Schedule)

Balance as at 31 December, 2016

<u>2016</u>	<u>2015</u>
<u>\$</u>	<u>\$</u>
2,184,978	2,022,908
175,408	162,070
<u>\$ 2,360,386</u>	<u>\$ 2,184,978</u>
<u>\$ 10,991,422</u>	<u>\$ 9,696,060</u>
40,356,027	37,122,753
6,649,429	6,311,848
47,005,456	43,434,601
2,922,275	1,917,278
44,083,181	41,517,323
1,243,653	1,161,296
<u>\$ 42,839,528</u>	<u>\$ 40,356,027</u>
2,931,874	2,910,363
(53,953)	21,511
<u>\$ 2,877,921</u>	<u>\$ 2,931,874</u>
70,891	78,830
30,398,172	9,860,649
<u>\$ 30,469,063</u>	<u>\$ 9,939,479</u>

8 INVESTMENT

Fiji Television Limited shares
As per Boards approval Fiji TV shares bought
Hideaway Resort - 95% Shares
Total Share purchase via FNPf Loan. This is the maximum share holding for the resort and given back to members as Progressive Share Purchase minimum (\$390.00 & maximum \$5850.00)

2,000 2,000

13,878,119 13,878,119
\$ 13,880,119 \$ 13,880,119

9 TRADE CREDITORS & SUNDRY ACCRUALS

Accounts Payable - C T C L
Accounts Payable - Properties

7,927 7,579
870 1,056
\$ 8,797 \$ 8,635

10 (a) PROVISION FOR DIVIDEND

10% Dividend payable to shareholders - Hideaway
70% Net Profit dividend payable to members - CTCL
Total dividend to be paid to shareholders for 2016 period

27,726 969,606
- 50,192
\$ 27,726 \$ 1,019,798

10 (b) INTEREST ON INVESTMENT

Forecasted Interest @ 4% during 2016 AGM. The Board had announced a 4% fixed rate dividend in prior AGM to be credited to members share account.

\$ 1,713,581 \$ 1,614,241

11 NET PROFIT / (LOSS) TRANSFER

The net profit from investment portfolio has been absorbed to the main account to provide exemption from income tax for cooperative that is organised and operated for mutual purposes and without profit.

(306,830) (8,124)
(535,812) (298,706)
\$ (842,642) \$ (306,830)

12 INVESTMENT INCOME

The Net Profit from the Resort Accounts is transferred to appropriate investment account to cater for the interest paid on loan of \$12,500,000.00 @ 9 % PA.

\$ 34,657 \$ 1,535,719

13 INTEREST ON LOAN - EXTERNAL

Secured Long Term Loan of 20 years from WBC to purchase Hideaway on current balance @ 9 %. Total interest paid out during the year

\$ 533,488 \$ 528,630

14 INCOME RECEIVABLE

This funds were withdrawn from Hideaway Buffer Fund and used in Vuda capital project.

\$ 187,996 \$ 187,996

15 CITY RATES

Being for annual rates for CTCL Properties

\$ 8,368 \$ 8,687

16 INSURANCE

Being for Insurance on Tower for Earthquake, Cyclone and Fire

\$ 37,057 \$ 13,163

17 PEST CONTROL

Quarterly service fee & charges for Hygiene

\$ 5,100 \$ 4,485

18 REPAIRS & MAINTENANCE - BUILDING

Aluminium Works
Building Repairs
Electrical Repairs
Installation of Electronic Gate Motor
Equipment Repairs
Grilling Works - Nailuva
Plumbing Works
Replacement of Sink bench

695 1,080
11,229 14
5,720 5,643
- 1,940
82 710
4,176 1,460
3,000 6,498
3,275
\$ 24,902 \$ 20,620

19 REPAIRS & MAINTENANCE- EQUIPMENT

Equipment Repairs
Brushcutter servicing
Repairs to TV Sysytem - Tower
Rpairs to water Pump - Tower

2,738 9,026
- 65
160 1,771
- 225
\$ 2,898 \$ 11,087

20 REPAIRS & MAINTENANCE - LIFT

Being for OTIS lift and Elevators Company for repair of lift at Tower under contract basis

\$	7,893	\$	3,826
----	--------------	----	--------------

21 ANNUAL GENERAL MEETING

Designing of Annual Report, Hall Hire, etc
Annual Report and Tea Pass Printing, grog, etc
Dinner Expenses

	11,500	10,000
	17,059	9,557
	4,500	4,467
\$	33,059	\$ 24,024

22 PRINTING & STATIONERY

Purchase of stationary, data sheets, cheque requisition, etc
Annual Newspaper subs, stationary items
Lineflows, letter heads & Cheque requisitions.
Printing of 5000 copies of FTU CTCL By Laws, Toners
Printing of share certificates, A4 papers for stock
Statement forms, letter heads, envelopes, etc
Cheque Requisitions, toners, envelopes, cheque leaves
Lineflows, A4 papers, toners
manilla Envelopes, 4500 x Newsletters, printer, ribbons
Stationery items for stock, line flows
Statement forms, manilla envelopes, printer ribbons
2016 Diaries & Desk calendars

	36	914
	708	567
	4,145	5,059
	1,098	1,789
	6,261	7,514
	3,592	3,717
	9,010	4,155
	912	1,272
	4,271	2,310
	2,295	3,480
	3,584	1,654
	-	109
\$	35,909	\$ 32,540

23 PERIOD END ADJUSTMENT

Omission of Motor Vehicle - HP 767 due to asset being controlled by subsidiary. (IAS 8 - Changes in Accounting Policies)

\$	-	\$ (49,421)
----	----------	--------------------

24 CASH AT BANK

Current Account - Westpac Bank Account No: 8035200
Reserve Account - Westpac Bank Account No: 9800008587
IMPS Account - Westpac Bank Account No: 8035203
CTCL Dividend Account - Westpac Bank Account No: 8035202
Hideaway Dividend Account Westpac Bank Account No: 9804357516
Hideaway Buffer Account - Westpac Bank Account No: 9803411819
CTCL Tower 2000 WBC Account No: 9800257454

	1,483,737	1,020,150
	671,667	1,605,974
	1,241,115	1,187,119
	77,056	51,966
	578,465	310,333
	891	(15)
	40,580	111,252
\$	4,093,511	\$ 4,286,779

25 VODAFONE M-PAISA IMPREST

Agency
Business - Increased Vodafone Imprest from \$50,000 to \$100,000 to increase float on demand

	-	10,000
	100,000	100,000
\$	100,000	\$ 110,000

26 TAX EXPENSE

The tax expense from Hideaway Resort is absorbed in the financials to reflect effect of investment income from Resort operations on the holding entity's net worth.

\$	35,175	\$ 364,145
----	---------------	-------------------

27 SUNDRY INCOME

FNU Grant Claim Refund
Commonwealth Bank Dividend
BSP Interest upon TD redemption
BSP TD Interest upon maturity
Vodafone Commission
WBC Interest upon maturity
Dominion Insurance - Refund

	145	1,551
	1,930	1,346
	-	11,524
	13,490	12,402
	138	-
	13,575	-
	946	-
\$	30,223	\$ 26,823

28 HIDEAWAY - LOAN INTEREST

To realise interest earned on loan for Hideaway Shareholders @ 6% (IFRS 15)

\$	385,629	\$ 370,316
----	----------------	-------------------

29 DEPRECIATION EXPENSE

CTCL- Fixed Assets
CTCL- Properties

	28,662	26,917
	53,162	58,766
\$	81,824	\$ 85,683

DEFAULTERS AS AT 31ST MARCH, 2017					
TPF	Name	Amount	Date	T/L	Status
42868	Kamal K Singh	933.10	1987/AUG	F/L	MIGRATED
8032	Elenoa Sikivou	572.32	1987/JUL	F/L	MAHARAJ & ASSOCIATES
5451	Inoke Sikivou	4,874.60	1987/JUL	F/L	
42528	Krishna Naidu	392.51	1987/JUN	S/L	MIGRATED
9449	D K Narayan	286.38	1987/OCT	S/L	L/BAY SEC SCHOOL
42077	Akhilesh Kumar	517.32	1987/SEP	S/L	NADI MUSLIM
6883	Premila D Singh	471.75	1988/DEC	S/L	MIGRATED
6561	Mehar Nisha	6,446.14	1988/FEB	F/L	DUDLEY HIGH SCHOOL
43603	S Singh	679.56	1988/FEB	F/L	BOX 281 LABASA
9769	Sant Kumar	639.96	1988/JAN	F/L	CASE WITH SOLICITORS
9919	Yashoda Reddy	522.14	1989/APR	S/L	LAUTOKA MUSLIM
43559	Rajendra S Prasad	326.98	1989/FEN	S/L	MIGRATED
5840	Sahidan Hussein	431.71	1989/JAN	S/L	SIGATOKA PRIMARY
9897	Anil Kumar	563.58	1990/JAN	F/L	RABULU INDIAN
43705	Sushil K Sukul	444.68	1990/JAN	F/L	VOTUALEVU HIGH NADI
4367	Vijay Kumar	3,106.10	1990/JAN	F/L	MIGRATED
55684	Narayan Gounder	322.43	1993	S/L	NADI MUSLIM COLLEGE
55064	Madan Sen	339.73	1993/AUG	S/L	BOX 425 BA
5183	Jagjiwan Prasad	2,997.83	1997/JUL	F/L	MIGRATED
42081	Damodar Gounder	476.77	1998/MAR	S/L	MIGRATED
6353	Mohammed Habib	1,064.60	1998/MAY	F/L	MIGRATED
54203	A C Lal	499.65	2000/FEB	Ins/pymt	MIGRATED
5083	Suruj Deo	4,292.32	2001/JAN	F/L	CASE WITH SOLICITORS
G3605	Ponipate Kabui	442.06	2002/SEP	S/L	RESIGNED
57845	Muthu Krishna	249.01	2004/APR	F/L	RESIGNED
7419	Veena Devi Lal	847.66	2005/FEB	E/L	RESIGNED
66281	Subhan Khan	780.36	2005/AUG	S/L	RESIGNED
8650	Verenaissi Ole	3,684.19	2006/JAN	F/L	MIGRATED: CASE WITH SOLICITORS
66114	Bob Nitin Prasad	273.04	2007/AUG	S/L	MIGRATED
44038	Michael Koro	5,330.89	2008/MAR	F/L	RESIGNED
6663	Apakuki Divi	395.64	2008/JUN	E/L	RETIRED
00056	Nirmala Devi Sami	1,100.79	2008/OCT	F/L	RESIGNED. CASE WITH SMALL CLAIMS TRIBUNAL
80275	Avinesh Prasad	31.01	2008/NOV	S/L	RESIGNED
57218	Sekove Waqa	65.03	2009/MAR	E/L	RESIGNED
G3603	Komal Keshni Prasad	228.10	2009/JUN	F/L	MIGRATED
G3374	Josateki T Vunisea	74.17	2009/JUL	E/L	RESIGNED
G3867	Arun Padarath	297.87	2009/JUL	S/L	RESIGNED
G1158	Ponipate Raboiliku	106.08	2009/AUG	E/L	RESIGNED
G1855	Filimoni Saumaki	764.67	2009/AUG	E/L	STUDY LEAVE WITHOUT PAY
69080	Shalesh K Nand	19.25	2010/JAN	S/L	RESIGNED
80015	Anareta Kaunilagilagi	695.76	2010/JAN	E/L	STUDY LEAVE WITHOUT PAY
57002	Nasiran Bibi	1,405.45	2010/MAR	F/L	MIGRATED
56499	Ralisa N Ligairi	179.96	2010/MAY	F/L	TERMINATED
6797	Sheik Mohammed Ibrahim	2,490.70	2010/AUG	F/L	CASE WITH SOLICITORS
8843	Petero Delasau	3,617.76	2011/JUN	F/L	CASE WITH SOLICITORS
81897	Satish Sitaiya	4,638.63	2011/JULY	F/L	TERMINATED
54574	Sashi L Ben	3,646.33	2012/FEB	Ins/pymt	Migrated
8646	Unisi Oloi	406.59	2013/JAN	F/L	RESIGNED
81169	Kemeuli Rabonu	8,458.66	2014/Jan	F/L	RESIGNED
8628	Mohammed S Khan	14,262.59	2014/May	F/L	CASE WITH SOLICITORS
54595	Rajesh Mudaliar	412.89	2014/Nov	F/L	Terminated
85378	Anaseini R Waqabaca	34.94	2015/feb	S/L	Resigned
56682	Isimeli Kacivi	614.10	2016/June	CYCLONE/L	LWOP.CASE WITH SMALL CLAIMS TRIBUNAL
87545	Fredrick Baleikonocau	795.45	2016/June	CYCLONE/L	DEEMED RESIGNED .CASE WITH SMALL CLAIMS TRIBUNAL
		87,551.79			

**Hide-A-Way Resort Limited t/a
Fiji Hide-A-Way Resort & Spa**

Financial Statements

For the year ended 31 December 2016

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa

Contents

Directors' report	1 - 2
Statement by Directors	3
Independence declaration	4
Independent auditor's report	5 - 6
Statement of profit of loss and other comprehensive income	7
Statement of changes in equity	8
Statement of financial position	9
Statement of cash flows	10
Notes to the financial statements	11 - 26
Disclaimer	27
Statement of operations	28 - 29
Trading account	30

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa Directors' report

In accordance with a resolution of the Board of Directors, the Directors herewith submit the statement of financial position of Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa ("the Company") as at 31 December 2016 and the related statement of profit or loss and other 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 throughout the financial year and at the date of this report were as follows:

- | | |
|------------------|---------------------------|
| - Agni Deo Singh | - Emanuel Kumar |
| - Arun Prasad | - Narain Gounder |
| - Pranesh Kumar | - Gyan Prasad |
| - Govind Singh | - Shashi Mahendra Shandil |
| - Navinsh Prasad | |
| - Rohit Deo | |

State of affairs

In the opinion of the Directors, the accompanying statement of financial position gives a true and fair view of the state of affairs of the Company as at 31 December 2016 and the accompanying statement of comprehensive income, statement of changes in equity and statement of cash flows give a true and fair view of the results, changes in equity and cash flows of the Company for the year then ended.

Trading results

The net loss for the year was \$519 (2015: net profit of \$1,171,574) after accounting for income tax expense of \$35,715 (2015: \$364,145).

Dividends

During the year, a dividend of \$969,606 was declared (2015: \$390,000).

Reserves

In line with the new Companies Act 2015 (effective from 2016), share premium reserves of \$83,844 were transferred to share capital in the 2016 financial year.

Principal activity

The principal activity of the Company during the course of the financial year was the provision of hotel accommodation, food and beverage and other hotel related services. There were no significant changes in the nature of the activities of the Company during the financial year apart from the on-going work in progress at Hide-A-Way Resort Limited - Vuda.

Current assets

The Directors took reasonable steps before the Company's financial statements were made out to ascertain that the current assets of the Company were shown in the accounting records at a value equal to or below the value that would be expected to be realised in the ordinary course of business.

At the date of this report, the Directors are not aware of any circumstances which would render the values attributable to the current assets in the financial statements to be misleading.

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa Directors' report (continued)

Receivables

The Directors took reasonable steps before the Company's financial statements were made out to ascertain that all known bad debts were written off and adequate allowance was made for impairment losses.

At the date of this report, the Directors are not aware of any circumstances which would render the above assessment inadequate to any substantial extent.

Related party transactions

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

Going concern

Despite the deficiency in net current assets of \$695,477 as at 31 December 2016, the financial statements have been prepared on a going concern basis which assumes that the Company will be able to pay its debts as and when they fall due.

The Directors believe that the going concern basis is appropriate as the Company has received a letter of support from its parent entity, Fiji Teachers Union Co-operative Thrift and Credit Society Limited for a period of 12 months from the signing of the financial statements.

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 accounts to be misleading.

Unusual circumstances

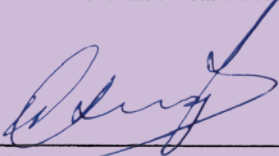
The results of the Company's operations during the financial year have not in the opinion of the Directors been substantially affected by any item, transaction or event of a material and unusual nature other than those disclosed in the financial statements.

Events subsequent to year end


There has not arisen in the interval between the end of the 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, to affect significantly the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

Dated at Suva this 18th day of APRIL 2017.

Signed in accordance with a resolution of the Directors.



Director



Director

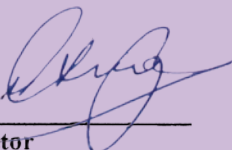
Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa Statement by Directors

In the opinion of the Directors of Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa:


- (a) the accompanying statement of profit or loss and other comprehensive income of the Company is drawn up so as to give a true and fair view of the results of the Company for the year ended 31 December 2016;
- (b) the accompanying statement of changes in equity of the Company is drawn up so as to give a true and fair view of the changes in equity of the Company for the year ended 31 December 2016;
- (c) the accompanying statement of financial position of the Company is drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 December 2016;
- (d) the accompanying statement of cash flows of the Company is drawn up so as to give a true and fair view of the cash flows of the Company for the year ended 31 December 2016;
- (e) at the date of this statement there are reasonable grounds to believe the Company will be able to pay its debts as and when they fall due;
- (f) all related party transactions have been adequately recorded in the books of the Company; and
- (g) the financial statements have been prepared in accordance with the Companies Act 2015.

Dated at Suva this 18th day of APRIL 2017.

Signed in accordance with a resolution of the Directors.



Director



Director



**INDEPENDENCE DECLARATION
FOR THE YEAR ENDED 31 DECEMBER 2016**

**AUDITORS INDEPENDENCE DECLARATION UNDER SECTION 395 OF THE
COMPANIES ACT 2015**

To: the Directors of Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa

As required under Section 395 of the Companies Act 2015, we declare that to the best of our knowledge and belief, in relation to the audit for the year ended 31 December 2016 and up to the date of this report there have been:

- (i) no contraventions of the Auditor independence requirements as set out in the Fiji Companies Act 2015 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

18th April 2017
Nadi, Fiji

KPMG.

KPMG
Chartered Accountants



Independent Auditors' Report

To the Shareholders of Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa ("the Company") which comprise the statements of financial position as at 31 December 2016, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information as set out in notes 1 to 22.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2016, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Companies Act 2015 and with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS for SMEs and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

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

In our opinion:

- proper books of account have been kept by the Company, sufficient to enable financial statements to be prepared, so far as it appears from our examination of those books; and
- to the best of our knowledge and according to the information and explanations given to us the financial statements give the information required by the Companies Act 2015, in the manner so required.

Sharvek Naidu, Partner

KPMG
18th April, 2017
Suva, Fiji

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2016

	Note	2016 \$	2015 \$
Revenue	4 (a)	10,827,335	12,171,421
Cost of sales	4 (b)	<u>(4,211,681)</u>	<u>(4,071,424)</u>
Gross profit		6,615,654	8,099,997
Other income	4 (c)	31,035	17,856
Administrative expenses	5 (a)	(2,245,710)	(2,551,007)
Marketing expenses	5 (b)	(873,412)	(909,924)
Other expenses	5 (c)	<u>(3,492,911)</u>	<u>(3,121,203)</u>
Profit before income tax		34,657	1,535,719
Income tax expense	7 (a)	<u>(35,175)</u>	<u>(364,145)</u>
(Loss) / profit for the year		(519)	1,171,574
Other comprehensive income, net of tax		-	-
Total comprehensive (loss) / income for the year		<u><u>(519)</u></u>	<u><u>1,171,574</u></u>

The notes on pages 11 to 26 are an integral part of these financial statements.

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Statement of changes in equity
For the year ended 31 December 2016

	Note	Issued capital \$	Share premium reserve \$	Retained earnings \$	Total \$
Balance at 1 January 2015		583,319	83,844	5,225,839	5,893,002
Total comprehensive income for the year					
Profit for the year		-	-	1,171,574	1,171,574
Total other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		583,319	83,844	6,397,413	7,064,576
Transactions with owners of the Company					
Dividends declared and paid during the year		-	-	(390,000)	(390,000)
Balance at 31 December 2015		583,319	83,844	6,007,413	6,674,576
Balance at 1 January 2016		583,319	83,844	6,007,413	6,674,576
Total comprehensive income for the year					
Loss for the year		-	-	(519)	(519)
Total other comprehensive income for the year		-	-	-	-
<u>Transfers</u>					
Transfer to share capital	13(c)	83,844	(83,844)	-	-
Total comprehensive income for the year		667,163	-	6,006,894	6,674,057
Transactions with owners of the Company					
Dividends declared during the year	21	-	-	(969,606)	(969,606)
Balance at 31 December 2016		667,163	-	5,037,288	5,704,451

The notes on pages 11 to 26 are an integral part of these financial statements.

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Statement of financial position
As at 31 December 2016

	Note	2016 \$	2015 \$
Assets			
Current assets			
Cash and cash equivalents	9	661,274	1,485,658
Trade receivables	10	921,736	986,160
Inventories	11	201,016	228,720
Other receivables and prepayments	12	807,742	429,088
Income tax receivable	7 (c)	408,826	89,778
Total current assets		<u>3,000,594</u>	<u>3,219,404</u>
Non-current assets			
Property, plant and equipment	8	17,647,058	11,427,868
Other receivables and prepayments	12	96,146	96,146
Deferred tax asset	7 (b)	73,440	107,662
Total non-current assets		<u>17,816,644</u>	<u>11,631,676</u>
Total assets		<u>20,817,238</u>	<u>14,851,080</u>
Liabilities			
Current liabilities			
Trade and other payables	15	3,684,089	1,809,219
Employee benefits	16	11,982	11,982
Total current liabilities		<u>3,696,071</u>	<u>1,821,201</u>
Non-current liability			
Amounts payable to shareholder	14	11,416,716	6,355,303
Total non-current liability		<u>11,416,716</u>	<u>6,355,303</u>
Total liabilities		<u>15,112,787</u>	<u>8,176,504</u>
Net assets		<u>5,704,451</u>	<u>6,674,576</u>
Shareholders equity and reserve			
Issued capital	13 (b)	667,163	583,319
Share premium reserve	13 (c)	-	83,844
Retained earnings		5,037,288	6,007,413
Total shareholders equity and reserve		<u>5,704,451</u>	<u>6,674,576</u>

Signed for and on behalf of the Board.

Director

Director

The notes on pages 11 to 26 are an integral part of these financial statements.

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Statement of cash flows
For the year ended 31 December 2016

	Note	2016 \$	2015 \$
Operating activities			
Cash receipts from customers		10,690,286	12,480,633
Cash paid to suppliers and employees		(8,681,162)	(10,307,047)
Income tax paid	7 (c)	(320,001)	(368,546)
Net cash from operating activities		<u>1,689,123</u>	<u>1,805,040</u>
Investing activities			
Acquisition of property, plant and equipment	8	(6,612,653)	(2,173,605)
Proceeds from disposal of property, plant and equipment		7,339	-
Net cash used in investing activities		<u>(6,605,314)</u>	<u>(2,173,605)</u>
Financing activities			
Advance from shareholders		4,561,413	2,139,725
Dividends	21	(469,606)	(390,000)
Net cash from financing activities		<u>4,091,807</u>	<u>1,749,725</u>
Net (decrease) / increase in cash and cash equivalents		(824,384)	1,381,160
Cash and cash equivalents at 1 January		1,485,658	104,498
Cash and cash equivalents at 31 December	9	<u>661,274</u>	<u>1,485,658</u>
Material non-cash financing activity	21		

The notes on pages 11 to 26 are an integral part of these financial statements.

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements
For the year ended 31 December 2016

1. Reporting entity

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa ("the Company"), is a company domiciled in Fiji. The registered office of the Company is situated at Hide-A-Way Resort Limited, Queen's Highway, Sigatoka.

The Company is primarily involved in the provision of hotel accommodation, food and beverage and other hotel related services. There were no significant changes in the nature of the activities during the financial year.

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) and the requirements of the laws of Fiji.

The financial statements were authorised for issue by the Board of the Directors on 18 April, 2017.

(b) Going concern

Despite the deficiency in net current assets of \$695,477 as at 31 December 2016, the financial statements have been prepared on a going concern basis which assumes that the Company will be able to pay its debts as and when they fall due.

The Directors believe that the going concern basis is appropriate as the Company has received a letter of support from its parent entity, Fiji Teachers Union Co-operative Thrift and Credit Society Limited for a period of 12 months from the signing of the financial statements.

(c) Basis of measurement

The financial statements have been prepared on a historical cost convention basis except where stated.

(d) Functional and presentation currency

The financial statements are presented in Fiji dollars, rounded to the nearest dollar, which is the Company's functional currency.

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements
For the year ended 31 December 2016

2. Basis of preparation (continued)

(d) Use of estimates and judgments

The preparation of the financial statements in conformity with IFRS for SMEs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about judgments in applying accounting policies that have an effect on the amounts recognised in the financial statements is included in the following notes:

- Note 3 (f) - Impairment of property, plant and equipment
- Note 3 (f) - Recoverability of trade receivables

3. Significant accounting policies

The accounting policies have been consistently applied by the Company except where otherwise indicated.

(a) Foreign currency

Transactions in foreign currencies are translated to Fiji dollars at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to Fiji dollars at the exchange rate at that date. The foreign currency gains or losses on translation are recognised in profit or loss.

Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

(b) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements
For the year ended 31 December 2016

3. Significant accounting policies (continued)

(b) Property, plant and equipment (continued)

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income or other expenses in profit or loss.

Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance is expensed as incurred.

Depreciation

Property, plant and equipment including leasehold land, buildings, furniture and fittings, plant and equipment and motor vehicles, but excluding freehold land are depreciated using the straight line method, at rates which will write off the costs of those assets over their expected useful lives. The method of write off and the rates used are those considered appropriate to each class of asset.

Depreciation (continued)

The estimated useful lives for the current and comparative period are as follows:

Leasehold land	Term of lease
Plant and equipment	2.5 - 14.0 years
Buildings	10.0 - 80.0 years
Furniture and fittings	8.0 - 14.0 years
Motor vehicle	5.0 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(c) Financial instruments

(i) Non-derivative financial assets

The Company initially recognises loans and receivables on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements
For the year ended 31 December 2016

3. Significant accounting policies (continued)

(c) Financial instruments (continued)

(i) Non-derivative financial assets (continued)

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets are initially measured at the transaction price. Subsequent to initial recognition they are measured at amortised costing using the effective interest method, less any impairment losses.

Non-derivative financial assets of the Company include trade and other receivables.

(ii) Non-derivative financial liabilities

Financial liabilities are recognised initially on the trade date, which is the date the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial liabilities are recognised initially at transaction price. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

The Company has the following non-derivative financial liabilities: trade and other payables and amounts payable to shareholder.

(iii) Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

(d) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, cash at bank and call deposits with maturities of three months or less from the acquisition date. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements
For the year ended 31 December 2016

3. Significant accounting policies (continued)

(e) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(f) Impairment

(i) Non-derivative financial assets

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise or indications that a debtor will enter bankruptcy.

The Company considers evidence of impairment for financial assets measured at amortised cost at a specific asset and collective level.

In assessing impairment the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements
For the year ended 31 December 2016

3. Significant accounting policies (continued)

(f) Impairment (continued)

(ii) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit, or CGU").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

(g) Employee benefits

(i) Defined contribution plan / superannuation

Contributions are paid to the Fiji National Provident Fund on behalf of employees to secure retirement benefits. These costs are included in profit or loss as the services are rendered by the employee.

(ii) Short-term benefits (wages and salaries, annual leave)

Liabilities for salaries and wages expected to be settled within 12 months of the reporting date are recognised in other payables and accruals in the statement of financial position. Annual leave with respect to employees services up to the reporting date, measured at the amounts expected to be paid when the liabilities are settled, are accrued for under employee benefits.

(h) Amounts payable to shareholder

Amounts payable to shareholder are recognised at cost.

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements
For the year ended 31 December 2016

3. Significant accounting policies (continued)

(i) Revenue

Revenue from room sales, boutique, food and beverage, water sports, wedding revenue and other miscellaneous revenue are recognised in profit or loss when services are rendered and at the point of sale.

Revenue is shown net of value-added tax, returns, rebates and discounts, and foreign exchange gains and losses arising on sales transactions.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Company's activities.

(j) Trade payables, provisions and other payables

Trade and other payables are recognised at cost. A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(k) Leases

Lease payments

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

Payments made under operating leases are recognised in the profit or loss on a straight line basis over the term of the lease.

Operating leases are not recognised in the Company's statement of financial position.

(l) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements
For the year ended 31 December 2016

3. Significant accounting policies (continued)

(l) Income tax (continued)

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(m) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are proposed or declared by the Company's directors.

(n) Comparative information

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

4. (a) Revenue

Accommodation
Food
Beverage
Other

(b) Cost of sales

Opening stock
Purchases
Closing stock

Personnel expenses

	2016	2015
	\$	\$
Accommodation	4,318,984	4,449,292
Food	4,079,035	4,518,328
Beverage	1,788,627	2,014,532
Other	640,689	1,189,269
	<u>10,827,335</u>	<u>12,171,421</u>
Opening stock	228,720	230,719
Purchases	2,649,891	2,530,238
Closing stock	(201,016)	(228,720)
	<u>2,677,595</u>	<u>2,532,237</u>
Personnel expenses	1,534,086	1,539,187
	<u>4,211,681</u>	<u>4,071,424</u>

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa**Notes to the financial statements****For the year ended 31 December 2016**

	2016	2015
	\$	\$
4. (c) Other income		
Commission income	18,134	-
Gain on disposal of property, plant and equipment	1,196	4,432
Laundry income	11,705	13,424
	<u>31,035</u>	<u>17,856</u>
5. Expenses		
<u>(a) Administrative expenses</u>		
Allowance for uncollectibility	11,658	-
Auditor's remuneration - audit fees	16,748	15,986
Auditor's remuneration - other services	3,500	8,261
Bank charges	22,632	2,936
Commission	112,881	75,855
Insurance	159,335	161,822
Legal fees	34,215	-
Printing and stationery	53,978	63,877
Professional fees	11,933	-
Personnel expenses (Refer Note 6)	1,818,830	2,222,270
	<u>2,245,710</u>	<u>2,551,007</u>
<u>(b) Marketing expenses</u>		
Advertising	<u>873,412</u>	<u>909,924</u>
<u>(c) Other expenses</u>		
Included in other expenses are the following items:		
Depreciation	387,320	420,168
Electricity	632,024	485,266
Gas	278,995	313,547
General expenses	348,759	190,157
Repairs and maintenance	296,052	209,480
TLTB lease rental	<u>365,143</u>	<u>355,634</u>

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements
For the year ended 31 December 2016

	2016 \$	2015 \$
6. Personnel expenses		
Wages and salaries	2,655,570	3,035,943
Key management compensation - short term employment benefits	161,207	129,453
Fiji National Provident Fund contributions	290,180	336,841
FNU levy	29,691	36,362
Staff training and welfare	216,268	222,858
	<u>3,352,916</u>	<u>3,761,457</u>
<u>Disclosed in the financial statements as follows:</u>		
Cost of sales	1,534,086	1,539,187
Administrative expenses	1,818,830	2,222,270
	<u>3,352,916</u>	<u>3,761,457</u>
7. Income tax		
(a) Recognised in profit or loss		
Current tax expense	953	357,080
Deferred tax benefit	34,222	7,065
Income tax expense	<u>35,175</u>	<u>364,145</u>
<u>Reconciliation of effective tax rate</u>		
Profit before income tax	<u>34,657</u>	<u>1,535,719</u>
The prima facie income tax expense on operating profit before income tax at 20% (2015: 20%)	6,931	307,144
Non-deductible expenses	29,670	33,684
Under / (over) provision of tax in prior years	(1,426)	(1,200)
Transitional dividend tax at 1% of 2015 and 2014 undistributed profits after tax	-	24,517
Income tax expense	<u>35,175</u>	<u>364,145</u>
(b) Deferred tax asset		
Employee benefits	2,396	2,396
Property, plant and equipment	2,210	38,764
Allowance for uncollectibility	68,834	66,502
	<u>73,440</u>	<u>107,662</u>

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements
For the year ended 31 December 2016

7. Income tax (continued)

(b) Deferred tax asset (continued)

Movement in temporary differences during the year

2016

	Balance at 1 January 2016 \$	Recognised in profit or loss \$	Balance at 31 December 2016 \$
Employee benefits	2,396	-	2,396
Property, plant & equipment	38,764	(36,554)	2,210
Allowance for uncollectibility	66,502	2,332	68,834
	<u>107,662</u>	<u>(34,222)</u>	<u>73,440</u>

2015

	Balance at 1 January 2015	Recognised in profit or loss	Balance at 31 December 2015
Employee benefits	2,396	-	2,396
Property, plant & equipment	45,829	(7,065)	38,764
Allowance for uncollectibility	66,502	-	66,502
	<u>114,727</u>	<u>(7,065)</u>	<u>107,662</u>

(c) Income tax (receivable) / payable

	2016 \$	2015 \$
Balance at 1 January	(89,778)	(78,312)
Current tax liability	953	357,080
Payments made during the year	<u>(320,001)</u>	<u>(368,546)</u>
Balance at 31 December	<u>(408,826)</u>	<u>(89,778)</u>

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements
For the year ended 31 December 2016

8. Property, plant and equipment	Leasehold Land \$	Buildings \$	Plant and equipment \$	Motor vehicles \$	Furniture and fittings \$	Work in progress ** \$	Total \$
Cost							
Balance at 1 January 2015	130,204	7,424,047	1,713,122	138,307	585,334	2,473,471	12,464,485
Acquisitions during the year	-	315,475	345,348	-	184,712	1,328,070	2,173,605
Disposals	-	-	(29,544)	-	-	-	(29,544)
Balance at 31 December 2015	130,204	7,739,522	2,028,926	138,307	770,046	3,801,541	14,608,546
Acquisitions during the year	-	38,525	106,234	38,532	33,140	6,396,222	6,612,653
Transfer from WIP	-	-	171,628	-	-	(171,628)	-
Disposals	-	-	-	(21,939)	-	-	(21,939)
Balance at 31 December 2016	130,204	7,778,047	2,306,788	154,900	803,186	10,026,135	21,199,260
Depreciation							
Balance at 1 January 2015	28,106	1,580,533	912,481	36,095	207,727	-	2,764,942
Depreciation charge for the year	4,118	171,934	146,262	20,487	77,367	-	420,168
Disposals	-	-	(4,432)	-	-	-	(4,432)
Balance at 31 December 2015	32,224	1,752,467	1,054,311	56,582	285,094	-	3,180,678
Depreciation charge for the year	4,118	91,323	180,269	23,337	88,273	-	387,320
Disposals	-	-	-	(15,796)	-	-	(15,796)
Balance as at 31 December 2016	36,342	1,843,790	1,234,580	64,123	373,367	-	3,552,202
Carrying amount							
At 31 December 2015	97,980	5,987,055	974,615	81,725	484,952	3,801,541	11,427,868
At 31 December 2016	93,862	5,934,257	1,072,208	90,777	429,819	10,026,135	17,647,058

** Work in progress is mainly for Hide-A-Way Resort Limited - Vuda project and management expects opening in late 2017.

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements
For the year ended 31 December 2016

	2016 \$	2015 \$
9. Cash and cash equivalents		
Cash on hand	28,697	6,983
Cash at bank	632,577	1,478,675
	<u>661,274</u>	<u>1,485,658</u>
10. Trade receivables		
Trade receivables	1,265,906	1,318,672
Allowance for uncollectability	(344,170)	(332,512)
	<u>921,736</u>	<u>986,160</u>
<u>Allowance for uncollectability</u>		
Balance at 1 January	332,512	332,512
Allowances created during the year	11,658	-
Balance at 31 December	<u>344,170</u>	<u>332,512</u>
11. Inventories		
Beverage	64,759	63,618
Food	64,917	80,190
Boutique	33,193	12,679
Other	38,147	72,233
	<u>201,016</u>	<u>228,720</u>
12. Other receivables and prepayments		
FEA bond	96,146	96,146
Other receivables	125,554	316,877
Prepayments	392,760	112,211
VAT receivable	289,428	-
	<u>903,888</u>	<u>525,234</u>
<u>Disclosed in the financial statements as follows:</u>		
Current	807,742	429,088
Non-current	96,146	96,146
	<u>903,888</u>	<u>525,234</u>
13. Share capital and reserve		
(a) Authorised capital		
750,000 ordinary shares	<u>750,000</u>	<u>750,000</u>

Shares of the Company have no par value.

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements
For the year ended 31 December 2016

13. Share capital and reserve (continued)

(b) Issued capital

583,319 ordinary shares

Opening balance

Share premium reserve transferred

Closing balance

Shares of the Company have no par value.

(c) Share premium reserve

Share premium reserve

	2016	2015
	\$	\$
	667,163	583,319
Opening balance	583,319	583,319
Share premium reserve transferred	83,844	-
Closing balance	667,163	583,319
	-	83,844

The share premium reserve related to share issue proceeds received in prior years in excess of the par value as per section 60 of the Companies Act, 1983 at 31 December 2015. Under the new Companies Act (effective from 2016), share premium reserves can no longer be established or maintained, hence has been reclassified to Share Capital as at 31 December 2016.

14. Amounts payable to shareholder

Fiji Teachers Union Co-operative Thrift and Credit Society
 Limited (refer Note 17 (d))

	11,416,716	6,355,303
--	------------	-----------

Amounts payable to shareholder are unsecured and interest free. The shareholder has committed that the amounts will not be called in the next 12 months.

Disclosed in the financial statements as follows:

Non-current

	11,416,716	6,355,303
	11,416,716	6,355,303
	3,045,285	1,105,767
Advance deposits	204,200	425,711
VAT payable	-	26,523
STT payable	81,514	78,622
Environmental levy payable	48,402	-
Other payables and accruals	304,688	172,596
	3,684,089	1,809,219

15. Trade and other payables

Trade payables

Advance deposits

VAT payable

STT payable

Environmental levy payable

Other payables and accruals

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements
For the year ended 31 December 2016

16. Employee benefits

Provision for annual leave

Balance at 1 January
 Additions during the year
 Utilised during the year
 Balance at 31 December

2016	2015
\$	\$
11,982	11,982
-	-
-	-
<u>11,982</u>	<u>11,982</u>

17. Related parties

(a) Directors

The names of Directors in office at any time during the financial year were as follows:

- Agni Deo Singh
- Arun Prasad
- Pranesh Kumar
- Govind Singh
- Navinash Prasad
- Rohit Deo
- Emanuel Kumar
- Narain Gounder
- Gyan Prasad
- Shashi Mahendra Shandil

(b) Identity of related parties

Holding entity

The ultimate holding entity of the Company is Fiji Teachers Union Co-operative Thrift and Credit Society Limited.

(c) Transactions with key management personnel

In the current year, key management personnel comprises of the General Manager, Resort Manager and Finance and Administration Manager.

Transactions with key management personnel are on terms no more favourable than those available, or which might be reasonably be expected to be available, on similar transactions to third parties at arm's length.

Key management compensation is disclosed under Note 6.

(d) Amounts payable to shareholder

Fiji Teachers Union Co-operative Thrift and Credit Society Limited (refer Note 14)

2016	2015
\$	\$
<u>11,416,716</u>	<u>6,355,303</u>

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa**Notes to the financial statements****For the year ended 31 December 2016****17. Related parties (continued)****(e) Transaction with related parties**

During the year, the Company entered into various transactions with related parties which were on normal commercial terms and conditions. The aggregate value of major transactions with the related parties during the year is as follows:

	2016 \$	2015 \$
<u>Fiji Teachers Union Co-operative Thrift and Credit Society Limited</u>		
Payments by the shareholder on behalf of the Company	877,495	2,139,725

18. Capital commitments

Capital commitments at year end amounted to \$Nil (2015: \$Nil).

19. Contingent liabilities

Contingent liabilities at year end amounted to \$Nil (2015: \$Nil).

20. Operating leaseLeases as lessee

The operating lease commitments relate to leasehold land. The details are as follows:

Native lease:	21986
Area:	3,398 square metres
Description	Baravi, Nadroga, Fiji Islands
Period of lease:	60 years commencing 25 July 1979

The lease payments are calculated as 3% of gross receipts from all operations provided that the rent shall not be less than 6% of the unimproved capital value of the land.

During the year \$365,143 (2015: \$355,634) was recognised as an expense in the profit and loss.

21. Material non-cash financing activity

The Company declared a dividend of \$969,606 during the year which was paid to the shareholders as follows:

- \$469,606 paid in cash by the Company; and
- \$500,000 paid by Fiji Teachers Union and Co-operative Thrift and Credit Society Limited on behalf of the Company.

22. Events subsequent to year end

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 Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in subsequent financial years.



Disclaimer

The additional financial information presented on pages 28 to 30 is in accordance with the books and records of Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa which have been subjected to the auditing procedures applied in our statutory audit of the Company for the year ended 31 December 2016. It will be appreciated that our statutory audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the Company) in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.

18th April 2017

Nadi, Fiji Islands

KPMG.

KPMG
Chartered Accountants

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Statement of operations
For the year ended 31 December 2016

	2016	2015
	\$	\$
Transferred from - trading account	6,615,654	8,099,997
<u>Other income</u>		
Gain on disposal of property, plant and equipment	1,196	4,432
Commission	18,134	-
Laundry income	11,705	13,424
	6,646,689	8,117,853
Expenses		
Activities	131,132	132,942
Advertising	873,412	909,924
Allowance for uncollectibility	11,658	-
Auditor's remuneration - audit fees	16,748	15,986
Auditor's remuneration - other services	3,500	8,261
Bank charges	22,632	2,936
Commission	112,881	75,855
Cyclone certification	-	11,239
Depreciation	387,320	420,168
Donation	3,261	-
Electricity	632,024	485,266
Computer support	29,541	-
Fiji National Provident Fund contributions	290,180	336,841
Freight	8,982	16,251
Fuel and oil	32,977	40,012
Gas	278,995	313,547
General expenses	348,759	190,157
Insurance	159,335	161,822
Laundry	42,520	71,144
Legal fees	34,215	-
License fees	55	1,075
Motor vehicle expenses	10,414	8,604
National Training and Productivity Centre levy	29,691	36,362
Operating supplies	535,484	489,984
Postage	71	-
Printing and stationery	53,978	63,877
Professional fees	11,933	-
Repairs and maintenance	296,052	209,480
Salaries and wages	1,282,691	1,626,209
Security costs	19,840	-
Balance carried forward	5,660,281	5,627,942

The above statement of operations is to be read in conjunction with the disclaimer set out on page 27.

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Statement of operations (continued)
For the year ended 31 December 2016

	2016	2015
	\$	\$
Balance brought forward	5,660,281	5,627,942
Staff training and welfare	216,268	222,858
Staff transport	167,747	153,176
Subscription	13,781	14,267
Telephone and facsimile (net of recoveries)	122,745	112,410
Travelling expenses	9,566	-
TLTB lease rental	365,143	355,634
Uniforms	30,332	66,963
Wedding	26,170	28,884
Total expenditure	6,612,033	6,582,134
Profit before tax	34,657	1,535,719

The above statement of operations is to be read in conjunction with the disclaimer set out on page 27.

Hide-A-Way Resort Limited t/a Fiji Hide-A-Way Resort & Spa
Trading account
For the year ended 31 December 2016

	2016	2015
	\$	\$
Revenue		
Accommodation	4,318,984	4,449,292
Food	4,079,035	4,518,328
Beverage	1,788,627	2,014,532
Other	640,689	1,189,269
Total revenue	<u>10,827,335</u>	<u>12,171,421</u>
Deduct cost of sales		
Opening stock	228,720	230,719
Purchases	2,649,891	2,530,238
Closing stock	<u>(201,016)</u>	<u>(228,720)</u>
	2,677,595	2,532,237
Personnel expenses	1,534,086	1,539,187
Cost of sales	<u>4,211,681</u>	<u>4,071,424</u>
Gross profit	<u><u>6,615,654</u></u>	<u><u>8,099,997</u></u>

The above trading account is to be read in conjunction with the disclaimer set out on page 27.

DIVIDEND PAYMENTS CURRENTLY PAYING 4% ON SAVINGS SHARES HELD DIVIDEND PAYMENTS CURRENTLY 4% ON SAVINGS SHARES HELD

INTEREST RATE – 6% APPLICABLE TO ALL TYPES OF LOANS

ADDITIONAL SERVICES

GROUP MOTOR VEHICLE INSURANCE SCHEME

2% on all motor vehicles
Minimum value \$10,000.00

PREPARATION OF BILL OF SALE AND MORTGAGE

Requires

1. Search of ownership
2. Preparation of BOS/mortgage
3. Countersigning by the Lawyers
4. Registration/ stamping of BOS/mortgage

GROUP HOUSE/ CONTENT INSURANCE

PROPERTY

COVER	WOODEN	CONCRETE
Basic	0.3%	0.165%
Cyclone	0.1%	0.1%
Mixed Construction 0.25%		

IN-HOUSE MORTGAGE PROTECTION SCHEME

Rate – 0.5% per loan sum
-loan w/o in case of death

This provision does not apply to

1. defaulter
2. death by suicide
3. drunken driving
4. civil riots
5. retirees

RECOGNISED FNPF LENDER FACILITIES FOR REAL ESTATE PURPOSES

Allows for

1. Settlement of loans with other lenders
2. Borrowing from FNPF through CTCL
3. Joint borrowing from CTCL & FNPF

FIJI HIDEAWAY RESORT SHARE PURCHASE

Very lucrative investment opportunity with good returns & redeemable shares.

1. Maximum shares \$5850.00.
2. Minimum shares \$390.00 p.a.
3. Annual Dividends up to 10%.
4. Accommodations as per FOC Regulations.
5. Reservations contact: www.hideawayfiji.com

LOAN PROCESSING.

CONTACT US

HQ: 1-3 Berry Rd, Suva

Phone: 3304770/3317838

9920026/9957802

Fax: 3307343

Email: enquiries@ftuctcl.com.fj

Lautoka: 2 Nasoki Street

Phone: 6665711

9929771

Email: lautoka@ftuctcl.com.fj

Labasa: Nivis Motor Bldg,
Naseakula Rd

Phone: 8818072

9929778

Email: labasa@ftuctcl.com.fj

MEMBERS APPLICATION RECEIVED

ENTITLEMENT VERIFIED

LOAN ELIGIBILITY ESTABLISHED

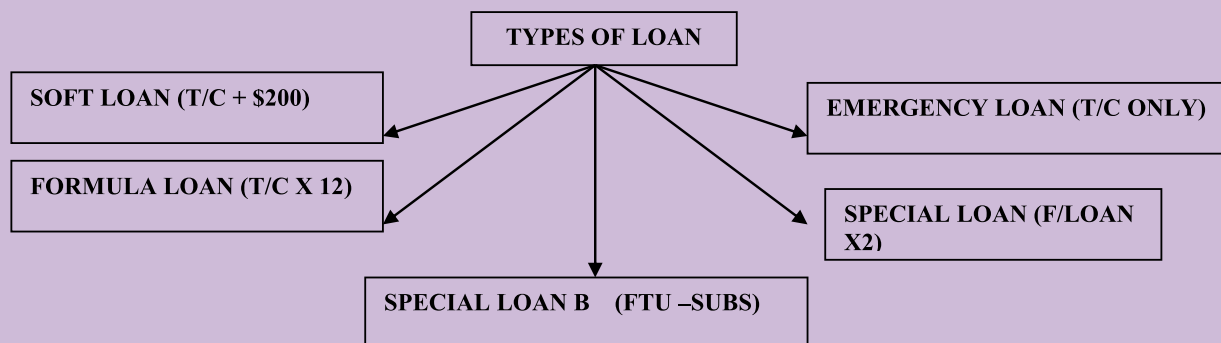
SECURITY REQUIREMENTS (IF ANY CONFIRMED)

LOAN PROCESSED BY STAFF

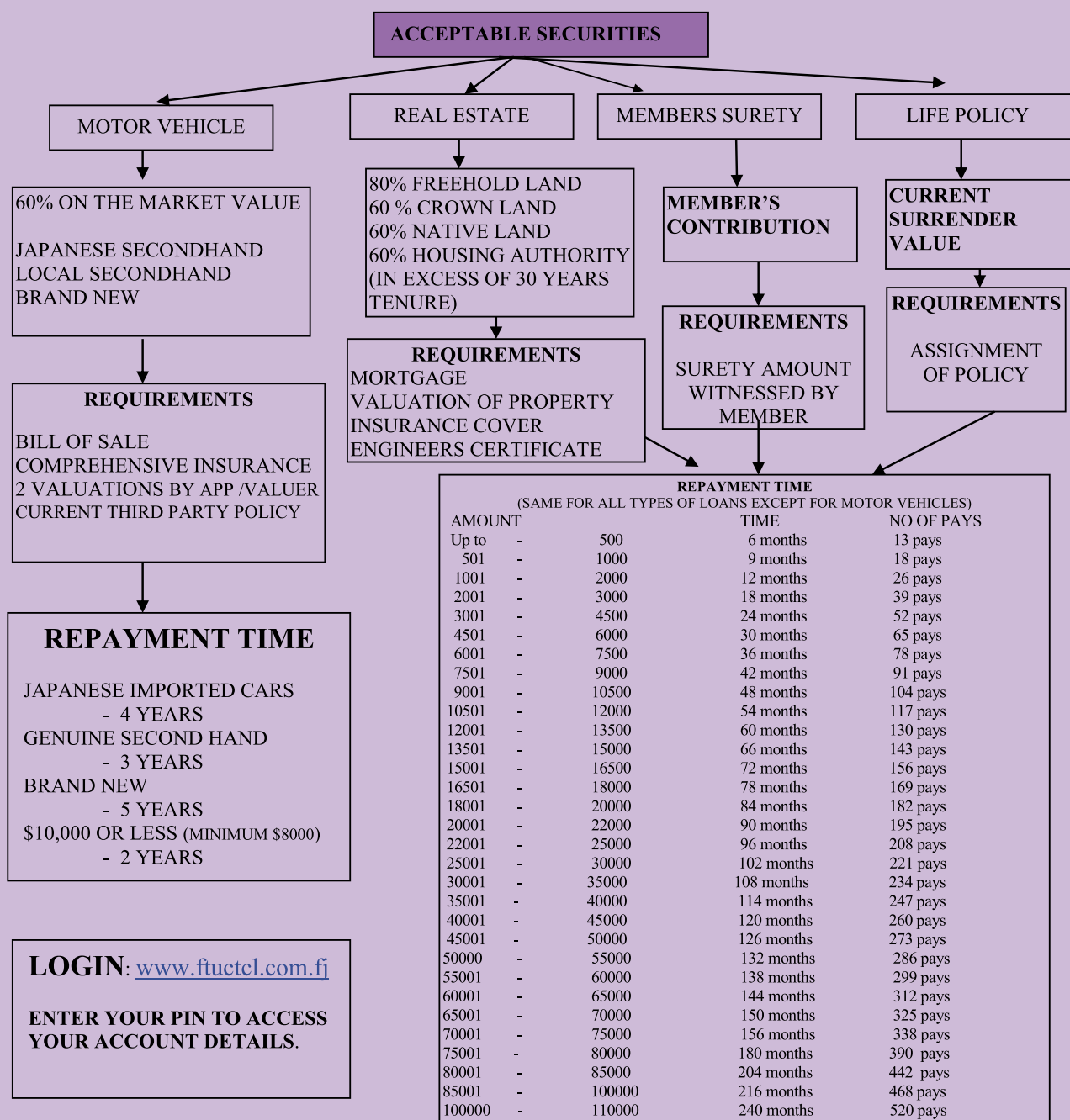
LOAN SANCTIONED BY THE BOARD

PAYMENT MADE

FIJI TEACHERS' UNION
CO-OPERATIVE THRIFT AND CREDIT LIMITED



\$110,000.00 CEILING PROVISION APPLIES TO ALL LOANS



THANKS AND APPRECIATION

The Board expresses its sincere appreciation to the following for contributing towards the success of the 2016 operations:

1. The Supervisory Committee
2. The FTU-CTC Ltd Staff
3. The Fiji Teachers Union
4. The Ministry of Education / ITC
5. FTU-CTC Ltd Co-coordinators
6. FTU Branch Executives
7. The Bankers - WBC
8. The Auditors – H N Pande
9. Ministry of Co-operatives
9. Suppliers of Consumables and Services
10. Dominion Insurance
11. Solicitors
: Neel Shivam & Associates
: Kohli & Singh Associates
: AP Legal
: Singh & Singh Lawyers
12. Fiji National Provident Fund
13. Cam Gooder & Associates
14. Life Insurance Cooperation of India
15. Colonial Insurance
16. Datec Fiji Limited
17. Fiji Hideaway Resort & Spa – Management and Staff

Fiji Hideaway Resort & Spa

Current Share Purchase Scheme and FOC Terms and Conditions as per Hideaway Policy

Resort Booking Procedures

All Resort bookings are to be done in person over the counter, on line / fax/ or phone direct to the reservations [6500177] in accordance with the Resort's reservation policies as follows:

- [a] All booking to be done in advance at least thirty [30] days with confirmed check-in and check-out dates.
- [b] All cancellations as per Resorts cancellation policies.
- [c] All date changes as per Resorts date change policies.
- [d] The Resort shall confirm within 24 hours availability and issue booking references.
- [e] The Resort reserves the right to decline any bookings that does not meet the criteria and or when the resort's guest booking to the maximum levels.
- [f] The FOC is exclusively for Frangipani Bures only. Upgrading to any other room configuration will result in members paying the difference in rates.
- [g] No FOC benefits will be accumulated if not taken during the year.
- [h] In case of natural disasters, a confirmed booking reference is required to change or claim the FOC night missed.
- [i] Upfront refundable cash deposit of \$150.00 to be paid on arrival and / or during reservation for members only and for non member's normal resorts policies applies.
- [j] The Resort Management's decision on availability and confirmation of bookings shall be final and cannot be challenged - legally or otherwise by any party.

FOC Regulations

The FOC term is used as free of charge and is applicable to members / Shareholders only for:

- [a] Free accommodation for max 2 adults and 2 children [12 yrs & less] per room with share balance of minimum \$1950.00.
- [b] Free continental breakfast for Max 2 adults and 2 children [12yrs &less] only provided there is billing evidence of satisfactory level [averaging \$20.00 per pax per day] of in-house food & beverage consumed by the same. Otherwise normal breakfast rates apply.
- [c] Maximum of three [3] FOC per member for lifetime per year provided the member maintains the shares for at least 12 months from the date of purchase. Members who do not comply with this provision shall have his or her shares for recovery before withdrawal or sale is approved.

- [d] Under this scheme no food or beverage from outside is allowed.
- [e] A levy of \$110.00 per night will be charged to the rooms and deducted from the deposit if members are caught abusing the FOC regulations and Resort policies.
- [e] Members to pay for cost of any missing items and or damage to the property. Members refusing to comply shall have their loan account debited with justifiable amounts with 2 quotations from the suppliers and maintenance dept. Disciplinary action by the Board will be taken.
- [f] Members abusing FOC benefits will be suspended and shareholders to face BOD Disciplinary Committee. The Board reserves the right to completely cancel the benefit and refund any shares to the member.
- [g] The BOD reserves the right to reduce FOC benefits for the financial viability of the Resort at all times.
- [h] Members are strictly not allowed to sell their FOC Nights to general public.
- [i] Members cannot claim their FOC nights if the Resort is not able to register their booking.
- [j] Non members using the FOC benefits of members need CTCL approval first and do not qualify for FOC breakfast and discount on F&B.

REMINDERS

1. Members are required to submit their latest salary slip with the loan application.
2. Applications which are not submitted with full requirements will be put on hold until all required documents are furnished. Loan Applications close on Tuesday at 2 pm.
3. Members submitting insurance claims should do so within a month, with all required documents.
4. For house insurance [cyclone cover], a valid engineer's certificate should be submitted or else only basic insurance cover applies. The Engineers certificate is only valid for 7 years.
5. Dividend Certificates / Remittance Slip will be sent to members after the AGM. Members are to fill and return the Slip by 5/6/2017 if they want Dividend Cheque. Change of address can be noted on Remittance Slip. Members are urged to respond ASAP. Failure to do so will leave no option but to add the Dividend to your shares.
6. Members wishing to cancel or reduce the sum insured on motor vehicle are reminded to put it in writing. The sum insured should be of current market value.



FIJI TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED

Office Staff



CHANDAR DUTT
Chief Executive Officer



JOANA NAIKATINI
Resort Operations Manager



SUNITA CHAND
Manager - Admin / Finance



VINEEL KISHORE
Finance Officer



JOASH GOUNDER
Filing / Mailing Clerk



RASHNEELA DEVI
Senior Clerical Officer



AVINESH PRASAD
Loans Officer



PRATISHMA KUMAR
Receptionist



LITIKA RAM
Clerical Officer - Lautoka



SHAMAL KUMAR
Clerical Officer - Labasa



KRISHNEEL PRASAD
Loans Clerk



P.O Box 16675, Suva, Fiji.
Phone: 330 4770 / 331 7838 Fax: 330 7343
Email: enquiries@ftuctcl.com.fj
Website: www.ftuctcl.com.fj