CTCL

FIJI TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED

Annual Report 2020-2022

Delivering Thrifty & Credible Financial Solutions to Shareholders

44th Annual General Meeting

Rishikul College Hall, Nasinu

5th April, 2022

FIJI TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED

Board Members 2021-2022

MUNIAPPA GOUNDAR
Chairman

SASHI M. SHANDIL
Vice Chairmain

ARUN PRASAD
Secretary

PRANESH KUMAR
Treasurer

EMANUEL KUMAR
Assistant Secretary

AJESHNI NAND
Board Member

ROHITESH CHAND
Board Member

GYAN PRASAD
Board Member

MUSTAFA KHAN
Board Member

RAJENDRA V. KUMAR
Board Member

VISHNU DEO SHARMA
Board Member

ASHWEEN RAJ
Board Member

FIJI TEACHERS UNION
CO-OPERATIVE THRIFT AND CREDIT LTD
ANNUAL GENERAL MEETING

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BOARD CHAIRMAN'S MESSAGE

The 2021 period has been another extraordinary year due to the pandemic. This continued to disrupt lives and our communities particularly our children, both through its direct impact and also the impact of government's means to control the spread of the virus. The impact on our children and their education has been severely felt and we are now catching up on this so everyone remains very committed and busy. I take this opportunity to thank all the teachers for their hard work.

The unwavering support of our membership, enabled us to remain resilient, grow our business and adapt quickly in a period that was marked by global economic disruptions.

Our principle objective as a Cooperative is to maintain the cheapest borrowing rate and the best return on savings.

FTU-CTCL in line with our vision and purpose, has continued to transform the lives of all our shareholders and their families through the innovative products such as Signature Loan of $1,000.00 which will be given without securities. The Tech Loan of $1,500.00 which is given to members to buy computers and be in line with the digital world and the new normal. We have also extended the repayment period to 65 years for members opting to take longer periods with reduced repayment amount.

FTU-CTCL operations on its own has recorded a considerable profit to enable us to continue distributing dividend to all our shareholders.

Unfortunately, during this period our resorts remained closed. We tried to open for locals during the weekends but due to poor response we have remained closed for the last 18 months. During the close-off period and as per the management lease with Tour Managers, we were able to make numerous upgrades to our resort facilities and ready to open from 1st April 2022.

We have adapted new ways of working with our membership establishing the virtual means and continuing to deliver the services. Despite the adversities, we continued our operations and assisted all our members. Our mission is to continue focusing on creating greater efficiency in improving digital services for all the shareholders.

At this juncture, I would like to offer my heartfelt thanks to all the Board members, the Chair of the Supervisory Committee and its members, and the Staff for their energy, challenge, insight, support and advice throughout what has been a challenging but rewarding year in terms of progress made.

Our strength is ultimately reliant on the loyalty of our membership, therefore we thank all our shareholders for their continued loyalty and support.

I wish the shareholders a healthy deliberation.

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MUNIAPPA GOUNDAR
CHAIRMAN

SUPERVISORY COMMITTEE REPORT

The Supervisory Committee consists of Mr. Ram Lingam, Mrs. Vidya Singh and me. Our key role is to ensure that adequate checks and balances are put in place and that the principles of transparency and accountability are observed for the good of our cooperative and the membership at large. While we were not able to meet face to face due to the prevailing circumstances, we were regularly briefed by the Board Chair and the CEO on the operations of the cooperative.

We wish to applaud the Board and the management for their unmatched dedication directed to the daily operations of FTU-CTCL and the resorts.

As the result of combined energies we have maintained, and have delivered desirable returns on our savings despite prevailing global economic downturn.
The inception of the new Steering Committee that has been assigned to bring about any strategic changes, new innovations, and benefits to members on all our products on offer has produced excellent results.

Our team will work very closely with the Board and the Steering Committee in developing new products and taking FTU-CTCL to greater heights. We however call upon the Board and the new Managers of Hideaway Resorts to remain focused on improving on the results of Hideaway-Coral Coast and Landers Bay Resort-Vuda.

The hospitality industry's current economic environment is not likely to change remarkably soon, so let us take full precaution and remain united during these trying times. You have bestowed confidence on all our investments and please continue to do so. As the travel restrictions are eased, we expect the business to bounce back during the coming months.

We take the opportunity to thank all our members for having entrusted us with oversight of the operations of our Co-operative, the properties and the Resorts.

Be rest assured of our continued commitment and dedication to serving you all and we shall do our best in the performance of our duties during our term.

The committee is very grateful to the membership, the Board and all our employees for their tremendous support, efforts and dedications despite unprecedented challenges confronting us all.

We wish the AGM constructive deliberations and objective decisions.

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AD SINGH
Chairman Supervisory Committee

FIJI TEACHERS UNION
CO-OPERATIVE THRIFT AND CREDIT LTD
ANNUAL GENERAL MEETING
ORDER PAPER
TUESDAY 5TH APRIL, 2022

1.0 **Quorum:** Secretary to move.
"That this AGM has the necessary quorum as required by the FTU-CTCL Regulation 16."

No. Present: -   Total Membership: -

2.0 **Notice Convening the Annual General Meeting**
Secretary to move - "That this AGM of FTU-CTCL be convened in accordance with Regulation 14, due notice of which was published in The Fiji Times of Saturday 12th March, 2022."

3.0 **Communication from the Chair**

4.0 **Minutes of the 2020 AGM**
Secretary to move - "That the Minutes of 43rd Annual General Meeting of FTU-CTCL held at Rishikul College Hall, Nasinu on Saturday 17th October, 2020 at 9.35 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 2020-2022 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 2021 to 31st December 2021 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 **Election**

10.0 **Adjournment of the Meeting**

11.0 The Secretary to move - "That the AGM be adjourned "Sine Die."

MINUTES OF 43RD ANNUAL GENERAL MEETING OF FIJI TEACHERS' UNION – CO-OPERATIVE THRIFT & CREDIT LIMITED HELD AT RISHIKUL SANATAN COLLEGE HALL, NASINU ON SATURDAY 17TH OCTOBER, 2020 COMMENCING AT 3.20PM

1.0 QUORUM

Moved: Secretary Seconded: Mr. Naseem Ali

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

Total Shareholders: 4227 Shareholders Present: 389

2.0 BOARD MEMBERS

Mr. Muniappa Goundar, Mr. Sashi Mahendra Shandil, Mr. Arun Prasad, Mr. Pranesh Kumar, Ms. Ajeshni Nand, Mr. Mustafa Khan, Mr. Emanuel Kumar, Ms. Gyan Prasad, Mr. Rohitesh Chand, Mr. Ashween Raj, Mr. Rajendra Vishnu Kumar and Mr. Vishnu Sharma.

2.1 **Supervisory Committee Members:** Supervisory Committee Members: Mr. Agni Deo Singh, Mrs. Vidya Singh, Mr. Ram Lingam

2.2 **Staff In – Attendance:** Mr. Chandar Dutt, Mr. Salvin Dayal

2.3 **Apologies:** Nil

3.0 NOTICE CONVENING THE ANNUAL GENERAL MEETING

Moved: Secretary Seconded: Mr. Nakul D. Barman

"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 of Saturday19th September, 2020."

4.0 WELCOME FROM CHAIR AND INTRODUCTORY REMARKS

The Chairman, Mr. Muniappa Goundar, welcomed the shareholders to the 43rd Annual General Meeting of FTU-CTCL.

4.1 He paid tribute to former FTU-CTCL Chairman, Mr. A. D. Singh for serving the organization for 27 years. He commended Mr. Singh for his commitment and dedicated service to FTU-CTCL members and the community.

4.2 He stated that FTU-CTCL was there to help shareholders to acquire homes, replace a worn-out car, renovate a dwelling house, medical assistance in some cases, education for self and children and the list goes on and on. Whatever the financial needs, FTU-CTCL was there to assist.

4.3 He said CTCL was there to help improve the financial well-being of the shareholders.

4.4 Chairman commended the staff, including CEO, the Board and the Supervisory Committee for their commitment towards the organization.

4.5 Chairman stated over the past year, we've decreased expenses by 20%, have assets of approximately $68 million and net income of $2.4 million.

4.6 Member loans are up, which means we are helping more people achieve their dreams.

4.7 He stated the FTU-CTCL primary source of income — approximately 45 million in loans earning 1.7 million as interest.

4.8 Investment in the Tourism Sector:

4.8.1 The Chairman reported that the previous Board had looked for other investment options.

4.8.2 He said it was then that the Board decided to venture into the Tourism Sector. Hide A Way Resort in Baravi, Nadroga was then purchased.

4.8.3 Subsequently, FTU-CTCL invested in the construction of Vuda Resort, renamed as Landers Bay Resort.

4.8.4 Doors opened for adults only Landers Bay on 1st January, 2018.

4.8.5 After its opening for two years and as a new commodity, it recorded a loss of $871,000 and $561,000 in 2018 and 2019 respectively.

4.8.6 The Chairman said with the current situation on the ground and seemingly lack of tourism expertise in all of us involved with the two resorts, the Board started looking for strategic partners who would be able to manage the Resorts.

4.8.7 The Board in consultation with the Supervisory Committee were able to rope in Tour Managers (The Manager), a tourist transport company from Nadi. The Managing Director, Mr. Damend Gounder, has served as Chairman of Tourism Fiji for a good number of years, his company having offices in China and Japan and also having a management contract with the FNPF owned Yatule Resort was the best person to manage our hotels and give us the guaranteed return which we were not able to get last year and in 2016 and 2017. A 7-year management lease was signed.

4.9 This lucrative deal is as follows:

4.9.1 $1,400,000.00 plus VAT if applicable per annum for the initial 12 months of Term.

4.9.2 $1,500,000.00 plus VAT if applicable per annum for the subsequent 12 months of Term.

4.9.3 $1,600,000.00 plus VAT per annum for the remainder of the Initial Term.

4.9.4 Incentive Management Fee payable to Owner 25% of net revenue in excess of $10,000,000.00 collectively from the Resorts on an annual basis.

4.9.5 Maintenance amount of $500,000.00 (annually) for both resorts

4.9.6 Capital replacement amount of $250,000.00 (annually) for both Resorts.

4.9.7 The Manager will allocate and pay $20,000.00 to FTU-CTCL for its activities to be paid on an annual accrued basis. This sum is to be reviewed and revised every 3 (three) years during the Term. It is agreed that the revised amount will be higher than the amount paid in the preceding period.

4.9.8 The owner's representative would be the current CEO, which was mutually agreed to by the Manager and the FTU-CTCL. The Manager would be paying $50,000.00 annually to FTU-CTCL.

4.9.9 The Manager will allocate $250,000.00 on an annual basis in a separate bank account for Capital replacements for the resorts.

4.9.10 The Manager will allocate $500,000.00 on an annual basis for Furniture Fitting & Equipment replacements and maintenance for the resorts.

4.9.11 This will be fully effective once the borders open and business normalizes.

4.10 Other Investments:

4.10.1 FTU-CTCL also owns Tower 2000 Apartment.

4.10.2 Rewa Street Hostel.

4.10.3 Nailuva Flats.

4.10.4 A vacant piece of land in Knolly Street.

4.10.5 These are giving us an annual rental of approximately $430,000. All these properties are being financed by CTCL at an interest rate of 6.0%

4.11 Product Diversification and Initiatives:

4.11.1 The FTU-CTCL and Fiji Hideaway Board meetings are held separately per month as both are distinct in terms of their operations.

4.11.2 The six sub- committee meetings are also held as per need.

4.11.3 The Nailuva Road property has undergone a major maintenance and is rented out.

4.11.4 The staff turnover has been arrested through the implementation of a JEE to remunerate workers fairly. The office is now fully staffed with fewer complaints from shareholders.

4.11.5 The current Board has been working on formulating and revising policies to further improve on the services provided to the shareholders. New products in the list of loans are also being explored for easier borrowing, without unduly increasing the risk. The repeat borrowing has also been revised.

4.11.6 The Board and Supervisory members went through a professional development session for 3 hours taken by the former Acting Director Cooperatives, Mr. Ramesh Chand,

4.11.7 The Chairman said he was looking forward to forming a steering sub-committee especially for product diversification, market competition and meeting the financial needs of our members during extra ordinary times, such as COVID-19.

4.12 Chairman's Plea

4.12.1 The Chairman said with the signing of an excellent deal with Tour Managers, and the fixed revenue for FTU-CTCL, he as the Board Chairman was optimistic of better returns for the shareholders.

4.12.2 He said withdrawal of membership would not help us in anyway achieving the desired result.

4.13 FTU-CTCL Dividend

4.13.1 The Chairman stated that he knew frustration was building up when the Board was not able to meet and then give out the much-needed dividend on time like previously.

4.13.2 The COVID-19 restriction was the cause.

4.13.3 We had the Co-operative Act and our By Laws to adhere to before processing the dividend.

4.13.4 We wrote to the Register of Co-operatives for his advice. We received his response which again was basically in line with the Act. 4.13.5 Nonetheless, after scrutinizing the situation with some relaxation on the restrictions, we made a point in getting the dividend paid out to you all. 4.14 Meeting Procedure 4.14.1 Chairman reminded the shareholders of the meeting procedures.

5.0 MINUTES OF THE 42nd ANNUAL GENERAL MEETING – 2019

Moved: Secretary Seconded: Mr. Munendra Mistry
"That the Minutes of the 42ndAnnual General Meeting of FTU-CTCL held at Rishikul Sanatan College Hall in Nasinu on Thursday 25thApril, 2019, as circulated be taken as read and be confirmed."

5.1 The Secretary apologized to Mr. Nakul Barman for a spelling error of his name in the last Minutes.

5.2 The Secretary informed the members that from June 2019 – September 2020, we had 10 CTCL Board Meetings and 12 Resort Board Meetings.

5.3 He thanked Mr. Pratosh Kumar for asking about the update on the number of Board meetings.

5.4 The Secretary said that the Board had taken cognizance of the concerns raised by shareholders regarding members queries not attended to in a timely manner. The Board has informed the office that all the information requested by members must be given to them on time.

6.0 ANNUAL REPORT – SEPTEMBER 2019-MARCH 2020

Moved by Secretary Seconded by Mr. Pratosh Kumar

" That the Annual Report for the year 2019 as circulated be received for discussion and be adopted."

6.1 The Secretary asked the members to familiarize themselves with the Supervisory Committee Report which was mandatory under the FTU-CTCL by-laws.

6.2 The Secretary reported FTU-CTCL had 4227 strong members. He stated any organization was as strong as its members.

6.3 The shareholders' attention was drawn to the FTU-CTCL core values.

6.4 As at 31st December, 2019 the total shares stood at $47,618,961.00

6.5 The Board acknowledged the assistance given by all the FTU Branch Executives during the membership drive for FTU-CTCL.

6.6 The Secretary reported that in 2009, Fiji Hideaway Resort & Spa was purchased at a price of $12.9m

6.7 As at 31/12/19, the total paid up shares was $11,818,316.00 which was mostly through progressive share purchase of $390.00 p.a. as interest free loan from FTU-CTCL.

6.8 The total Gross Revenue from sales and other income in 2019 was $9,765,961.00 however, Hideaway Resort made a net loss of $2,599,634.00 for 2019.

6.9 The Secretary reported that in light of the COVID-19 pandemic and that the Resort would now be operated by TM, the FOC nights have been temporarily shelved.

6.10 The Secretary informed the members that the Resort incurs a fixed operating cost of $35,000.00 monthly. He said that TM as the Manager was operating the resort during the weekends. This would assist to cover some cost.

6.11 The Secretary reported that Vuda Resort also did not do well; it made a net loss of $561,090.00 in 2019.

6.12 Speaking on the outlook for our Resort Operations and the Management Agreement with TM, the Secretary reported that FTU-CTCL was guaranteed $1.4m annually when the borders opened, whether TM made profit or not.

6.13 The resort rate for FTU members was $101.00 Bed and Breakfast (continental). The Secretary requested the shareholders to take advantage of the discounted room rate He further requested the shareholders to share this information with other shareholders and encourage their friends and families to spend time at the Resort in the weekends.

6.14 The Secretary reminded the members that closing of the loan application was on Tuesdays and the loans were processed on Wednesdays.

6.15 The Loans Committee was divided in two groups and they came on alternate weeks for loan processing.

6.16 The Secretary reported that loans given for vehicles totalled to $1,137,412.80 and for housing it was $1,440,771.91.

6.17 The Secretary informed the members that the Social Committee was activated to organize a social for the shareholders this year, rather than just the usual dinner. He requested that the shareholders drink responsibly and always be mindful of fellow colleagues around them.

6.18 Loan ceiling was increased from $120,000.00 to $125,000.00.

6.19 The interest of 5.5% for home loans was extended until 2022.

6.20 The repayment time has increased from 18 years to 20 years.

6.21 Members were told to note that IMPS did not cover the defaulters, death by suicide and loans taken by retired members.

6.22 The Secretary informed the shareholders that "repeat borrowing" was now allowed. There was no more waiting period of 6 months.

6.23 The Secretary reminded the shareholders that those retiring do not have to withdraw from CTCL. They could continue to be shareholders and enjoy the benefits.

6.24 The Secretary stated that all concerns regarding loans, deductions etc must be communicated to the Board Secretary in writing.

6.25 The Secretary informed the shareholders that in the near future, all reports would be e-copies. He requested all shareholders to update the office with their email addresses.

7.0 FINANCIAL REPORT - 2019

Moved: Pranesh Kumar – Treasurer Seconded: Mr. Vincent Sahayam

"That the Audited Financial Report for the period 1st January, 2019 to 31st December, 2019 as previously circulated be received for discussion and be adopted."

7.1 The Treasurer informed the members that the accounts were audited by credible chartered accounting firms; EY [FTU-CTCL accounts] and KPMG [HA accounts].

7.2 FTU-CTCL comprehensive net operating result for the year was a surplus of - $601,596 after providing an income tax expense of $48,441.00.

7.3 Total Reserve Fund was $68,409,812; consisting of members Hideaway shares, membership at FTU-CTCL, reserve funds and retained earnings.

7.4 Total comprehensive assets $89,803,689 minus the $21,393,877 in liability gave us a net asset of $68,409,812.

7.5 The Treasurer reported that the cash flow stood at $4,527,687 and Board was monitoring it continuously so that shareholders loan requirement could be met.

7.6 FTU-CTCL financial performance – with $2,390,467 and an expense of $537,438 had a net operating profit of $1,853,029.00.

7.7 The distribution of dividend on 70/30 basis, shareholders would have received their dividend cheques in their mails by now. 70% have been distributed and 30% have been kept in the reserve fund as per the requirement of the Co-operative Act.

7.8 FTU-CTCL net assets stood at $61,647,704.

7.9 The FTU-CTCL properties made a net loss of $1,251,433.

7.10 The Treasurer told the members to note that in the expenditure for properties of $1,629, 290 included the $1,159,660.00 as interest on loan for HA loan taken from HFC at 5.5% p.a.

7.11 The net asset of FTU-CTCL properties stood at $6,762,108.

7.12 The total amount for the defaulters was $86,398.11. The members were urged to help FTU-CTCL to locate the defaulters if they knew the whereabouts of any of them from the list.

7.13 The Treasurer moved for a 3% dividend payout for FTU-CTCL as proposed by the Board. It was seconded by Mr. Manoj Kumar. The motion was carried unanimously.

7.14 HA made a comprehensive loss of $2,599.634 for 2019.This included the $525,270 as income tax expense.

7.15 HA has retained earnings of $1,255,041 as of 31/12/2019.

7.16 HA net assets stood at $1,922,204.00.

7.17 HA has a cash flow of $150,324.

7.18 HA CC made a net loss of $1,513,274 and Vuda HA had a net loss of $561,090 for 2019 operations.

8.0 RESOLUTION

Nil

9.0 CHAIRMAN'S CONCLUDING REMARKS

9.1 The Chairman thanked the members for putting their trust in the Board. He said that the Board was mindful that shareholders wanted a good return for their investment.

9.2 He stated that after 10 years, FTU-CTCL Board has once again decided to have a social for the shareholders.

9.3 He thanked the Rishikul Sanatan College management and the Principal for permitting FTU-CTCL to have the social for the shareholders.

9.4 He advised the members to be mindful of the curfew and to enjoy the social responsibly.

10.0 ADJOURNMENT

The Annual General Meeting was adjourned at 4.55pm.

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Muniappa Goundar
CHAIRMAN

....
Arun Prasad
SECRETARY

FIJI TEACHERS' UNION
CO-OPERATIVE THRIFT AND CREDIT LIMITED REPORT
COVERING OCTOBER 2020 TO MARCH 2022

1.0 INTRODUCTION

Shareholder engagement lies at the heart of the day to day operations of our organization. Our shareholders are vital to our success and advancement. Given the recent challenges faced by everyone, as a result of COVID – 19 pandemic, it is essential that our shareholders continue to feel a sense of belonging towards the organization. We will continue to provide services that shareholders expect from the organization and embark on lucrative programmes to reach out to potential shareholders.

To assist the shareholders, who needed to take loan during the pandemic, the Board resolved that some staff work from home and a skeleton staff be in office to ensure printing the required documents. Soft copies of the loan forms were received by the offices, loans were processed and cheques made. The files were then delivered to the Treasurer and Secretary for vetting and cheque signing.

This Annual General Meeting provides an opportunity to the shareholders to raise their concerns and give concrete suggestions as how the services could be further improved.

The Report incorporates the 2021 Financial Report of FTU-CTCL and the Financial Report of Fiji Hideaway & Spa Resort, as well as Landers Bay Resort.

2.0 FIJI TEACHERS UNION CO-OPERATIVE THRIFT & CREDIT LIMITED

FTU-CTCL [initially was FTU-CTCS] was established in 1977, as the social / financial arm of the Fiji Teachers Union. The humble journey began with 15 shareholders. Today we have 4224 shareholders.

Our profit is shared with the shareholders as dividend [70%] and the balance of 30% is accumulated into Reserve Fund, as per the requirement of the Co-operative Act.

For the last three years, the total comprehensive income was $601,596.00 [2019], $1,279,190.00 [2020] and $994,296.00 for 2021.

3.0 OUR CORE VALUES

- ✓ We will be fair and ethical in our dealings
- ✓ We will focus on our shareholders' well-being and benefits
- ✓ We will give clear information about our products and services
- ✓ We will be a responsible lender
- ✓ We will deliver a high standard of service in a timely manner
- ✓ We will deal fairly and impartially with all complaints
- ✓ We will recognize and respect shareholders" rights
- ✓ We will comply with our social, legal and industry obligations
- ✓ We will endeavour to provide financial literacy to members

4.0 FTU-CTCL SHARES

As at 31st December, 2020, the total shares and savings stood at $46,815,629.00 .

For 31st December, 2021, the total shares and savings stood at $48,374,943.00.

As reported earlier, awareness on the benefits of being a member of FTU-CTCL will continue in partnership with parent body, Branch Executives and Heads of School.

The Board sincerely acknowledges the assistance given by all the FTU Executives, Heads of School and members at large for sharing information on the benefits of being a FTU-CTCL member and in the membership drive.

Shareholders are encouraged to increase their saving input for greater and better benefits in terms of borrowings and dividends. A healthier share and savings balance will be beneficial at retirement.

5.0 KEY PERFORMANCE INDICATORS

- ➢ Better dividend / increased return on investment
- ➢ Growth in profitability
- ➢ Diverse products and increased lending portfolio

6.0 MEMBERSHIP

The total membership for 2020 period stood at 4227 and for 2021 period it was 4194.

Membership as of date is 4224.

Shareholder engagement with us is measured in three fundamental ways:

- Total number of shareholders
- Total number of shareholders utilizing the services
- Total dividend paid to shareholders

7.0 NEW PRODUCTS – BENEFITS REVISITED

The Board had a healthy deliberation and approved the following:

- ✓ Tech Loan – up to $1500.00 for the purchase of electronic gadgets such as computers, laptops and mobile phones.
- ✓ Signature Loan - $1000.00 – to assist members in need of immediate financial assistance at the interest rate 12%, per annum repayable in 1 year.
- ✓ Loan eligibility after retirement and repayment till age of 65. IMPS doesn't cover after 55 years.
- ✓ That the loan ceiling be increased from $125,000.00 to $150,000.00 [Board motion]
- ✓ Motor Vehicle Insurance – with Sun Insurance @ 2.5% of the value of the car.
- ✓ M-Paisa (Vodafone) and My Cash Wallet (Digicel) – money transfer

8.0 SUB COMMITTEES

8.1 ADMIN COMMITTEE

Mr. Muniappa Goundar [Chair]
Mr. Sashi Mahendra Shandil
Mr. Pranesh Kumar
Mr. Arun Prasad

The Admin Committee is responsible for the smooth administration of the office and assisting in fulfilling its responsibilities to the shareholders. It is also responsible for formulating the overall administration policies and establishing guidelines in furtherance of those policies.

8.2 FINANCE COMMITTEE

Mr. Pranesh Kumar [Chair]
Mr. Vishnu Deo Sharma
Mr. Ashween Raj
Mr. Rajendra Vishnu Kumar
Mr. Rohitesh Chand
Mr. Emanuel Kumar

The Finance Committee meets to scrutinize monthly accounts, receipts and payments, check and approve quotes. The Finance Committee then presents the accounts to the Board for approval and endorsement.

8.3 LOANS COMMITTEE

Mr. Arun Prasad [Chair]
Mr. Pranesh Kumar
Mr. Vishnu Deo Sharma
Mr. Ashween Raj
Ms. Gyan Prasad
Mr. Emanuel Kumar
Mr. Mustafa Khan
Mr. Rohitesh Chand
Mr. Rajendra Vishnu Kumar

The Loans Committee meets every Wednesday to check and approve loans and sign cheques for disbursement.
The loans approved for housing in 2020 was $858,548.00 and in 2021 it was $856,084.00.

8.4 SECURITIES COMMITTEE

Mr. Mustafa Khan [Chair]
Mr. Ashween Raj
Mr. Rajendra Vishnu Kumar
Mr. Vishnu Deo Sharma
Ms. Ajeshni Nand

The Committee scrutinizes security documents, mortgage documents, repayments, defaulters etc and reports the same to the Board.

8.5 PUBLICITY COMMITTEE

Mr. Rohitesh Chand [Chair]
Ms. Ajeshni Nand
Mr. Arun Prasad
Ms. Gyan Prasad
Mr. Pranesh Kumar

The Publicity Committee is responsible for the Newsletters and timely dissemination of information to the shareholders.

8.6 PROPERTIES COMMITTEE

Mr. Muniappa Goundar [Chair]
Mr. Arun Prasad
Mr. Sashi Mahendra Shandil
Mr. Pranesh Kumar
Mr. Emanuel Kumar

The Committee assists the Board in fulfilling its responsibilities in relations to the investment and the repair and maintenance of properties.

8.7 STEERING COMMITTEEE – PRODUCTS

Mr. Sashi Mahendra Shandil [Chair]
Mr. Vishnu Deo Sharma
Mr. Rajendra Vishnu Kumar
Ms. Gyan Prasad
Ms. Ajeshni Nand

The Committee is tasked to explore for new products that could be availed to shareholders.

9.0 REMINDERS

- ✓ In-House Mortgage Protection Scheme – IMPS – still at 0.5%. In 2020, a total of $92,555.35 was used to off-set shareholders loans and in 2021, a total of $78,199.42 was used to offset loans of shareholders who had passed away and were covered by IMPS.
- ✓ Motor Vehicle and Housing Loan Insurance – All vehicles and homes provided as security for loans are insured through the FTU-CTCL scheme with Sun Insurance. Members wishing to terminate the policy on completion of loan repayment must inform the management in writing, otherwise office will continue to have your vehicle insured.
- ✓ Retired members – provision is there for them to withdraw and deposit money at their convenience.
- ✓ There is no waiting period of 6 months now for formula loans.

10.0 NEW LOAN CEILING – BOARD MOTION FOR 2022 AGM APPROVAL

"That the Annual General Meeting of FTU-CTCL approve the new loan ceiling of One Hundred and Fifty Thousand Dollars [$150,000.00]."

11.0 FIJI HIDEAWAY RESORT & SPA

INTRODUCTION

In October, 2019, the Resort was purchased at a cost of $12.9 million. Progressive share purchase was offered to FTU-CTCL shareholders @ $390 p.a. in 2011.

As of 31/12/20, the total paid up shares was $11,818,316.00 and as of 31/12/21 the total paid up shares was $10,968,494.00.

11.1 IMPACT OF COVID - 19

The COVID -19 pandemic has had a huge impact on the tourism industry worldwide. Our two Resorts, Fiji Hideaway and Spa and Landers Bay were also the victims.

11.2 As reported via Newsletter, the Board resolved that the operations of the Resort be handed to a party that was competent and experienced in the hotel industry.

11.3 After several rounds of discussion with the Director of Tour Managers [TM], the Board resolved that an Agreement be done with TM for the operations of Fiji Hideaway Resort & Spa and Landers Bay.

The Management Agreement was signed on 11th July 2020 between Tour Managers [Fiji] PTE Limited [Manager] and Fiji Teachers Union Co-operative Thrift & Credit Limited and Hide-a Way Resort Pte Limited [collectivity The Owner] and Damendran Gounder [Guarantor].

11.4 DEED OF AMENDMENT TO MANAGEMENT AGREEMENT

As a result of COVID-19 being declared as a Force Majeure event, an Amendment to the Management Agreement Deed was signed by the parties. The parties acknowledged that the Resorts were closed for all business as a result of Covid-19 and would be closed till such date when the Nadi International Airport opened for the resumption of commercial international flights.

11.5 During the closure, the owners injected $350,000.00 for repair and maintenance whilst the new Manager spent around $200,000.00 for refurbishment.

12.0 RE-OPENING

The Coral Coast property is scheduled to re-open from 1st April, 2022.

13.0 PERFORMANCE DURING PERIOD UNDER REVIEW -2020 & 2021

The total gross revenue from sales and other income in 2020 was $1,618,660.00 for three months operations only (January to March) and in 2021 it was complete close down due to the pandemic and weekend openings resulted in income of $31,436.00.

14.0 LANDERS BAY RESORT - VUDA

Brief – the construction project commenced in 2014 and was completed in 2017. The total cost of the project was $13,340,768.00. The Resort opened for visitors and business on 1/1/18, after a soft opening.

14.1 SCHEDULED RE-OPENING

The Resort is scheduled to re-open for business from 01/04/22.

CONCLUSION

FTU-CTCL has prospered over the years,both in stature and status,mainly because of the confidence of the shareholders in the institution.

As the years went by, members have realised that FTU-CTCL is the place to save and borrow money from.An increase in the fort nightly deductions for their share and savings is a testimony.

The emergence and rapid spread of new COVID - 19 variants, combined with restrictions, both locally and internationally, has had a serious impact on the performance of our two resorts. The pandemic also had an impact on the operations of FTU-CTCL. The Board monitors conditions and maintains provisions for a wide range of potential economic scenarios.

The Board fully comprehends the need for digital adaptation for better and different services to shareholders. Simple and innovative digital services are a key competitive differentiators. The Board has approved for a Website page to be set on the FTU-CTCL Website,whereby the shareholders will be able to apply for loans online, make additional payment towards their loan and much more.

I reiterate my earlier call to the shareholders to forward the email addresses to the Head Quarters so that communications could be sent electronically. This mode would be most secure, quicker and cost effective. Shareholders are also requested to obtain the PIN from Head Quarters to access their accounts. The Board of Directors commits to the Annual General Meeting that we will endeavour to improve the services, both, in terms of delivery and products.

On behalf of the Chairnan and the Board of Directors, I take this opportunity to thank the Supervisory Committee, the Chief Executive Officer of FTU-CTCL, the staff of FTU-CTCL, staff of FTU, the Branch Chairmans and the Executive members and the FTU-CTCL Coordinators for their time and commitment towards the success of FTU-CTCL.

I am optimistic that the tourism industry will come out of the doldrums sooner than later and our resorts will pick up business. The years of experience of Tour Mabagers in the tourism industry is also plus point.

Finally, my profound thanks and appreciation to all the shareholders for the trust and confidence that you have placed in the Board and the organization.

Vinaka Vakalevu.

aprasad

ARUN PRASAD
Board Secretary

TREASURER'S REPORT - 2021

Bula Vinaka!

Fiji Teacher's Union - Co-operative Thrift and Credit Limited [FTU-CTCL] has a 12 month trading period ending on 31st December 2021. The accounts have been audited by the Chartered Accountants, Ernst & Young [EY] and the audit was completed by the end of February 2022. The Fiji Hideaway Resort & Spa – Coral Coast and the Landers Bay Resort & Spa – Vuda was audited by the Klynveld Peat Marwick Goerdeler [KPMG]. The audit was completed by early February 2022.

FTU-CTCL has again brought smiles on the faces of the shareholders as they will be ready to receive dividends on their investment for the financial year. As business continued normal despite the closure of office, the online platform has helped the members to obtain loan and continue with their investments. The committee had a challenging task ahead to vet applications as Work from Home (WFH) mode was in activation.

On the contrary, the resort operations has not been rewarding. Marking the full closure of the resort in April, the projected income that was to be received during the peak periods have deceased. The resort continued to pay its fixed costs despite nil income as these costs cannot be eliminated from the expenses portfolio. In the later periods, when the green light was given to operate, the 2nd wave had its overturn, resulting in a closure after positive cases reported from the visitors.

As for the trading results, Fiji Teachers Union – Co-operative Thrift and Credit Limited has a Net Assets of $67 060 648.00. The Net Profit from operations increased to $2 259 251.00. Members Shares stood at $48 374 943.00 despite withdrawals from members. The total of Hideaway shares was around $10 455 207.00. Members are continuously discouraged to withdraw as investment yields gain in the foreseeable future.

As of 1st January 2022, Fiji Hideaway Resort & Spa – Coral Coast and the Landers Bay Resort & Spa – Vuda have been handed to the Manager – Tour Managers. The accountability of the financial is based on the management agreement that has been signed by the two parties.

I now commend the financials to the Annual General Meeting.

PRANESH KUMAR

FIJI TEACHERS UNION
CO-OPERATIVE THRIFT AND CREDIT LTD

FINANCIAL STATEMENTS
31 DECEMBER, 2021

FIJI TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED
A CO-OPERATIVE ESTABLISHED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

In accordance with a resolution of the Board of Directors, the Directors herewith submit the statement of financial position of Fiji Teachers Union Co-operative Thrift and Credit Limited (the Co-operative) as at 31 December 2021, the related statement of profit or loss and other comprehensive income, the statement of members' fund and reserves and the statement of cash flows for the year ended on that date and report as follows:

Directors

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

Mr. Muniappa Goundar (Chair)
Mr. Sashi Mahendra Shandil (Vice Chairman)
Mr. Arun Prasad (Secretary)
Mr. Pranesh Kumar (Treasurer)
Mr. Emanuel Kumar (Asst. Secretary)
Mrs. Ajeshni Nand
Mr. Rohitesh Chand
Mrs. Gyan Prasad
Mr. Mustafa Khan
Mr. Rajendra Vishnu Kumar
Mr. Vishnu Deo Sharma
Mr. Ashween Chand Raj

Principal Activities

The principal activities of the Co-operative in the course of the financial year were that of promoting thrift among its members, receiving the savings of its members, to grant loans to its members and to invest member savings. The Co-operative also holds investment properties which earns rental income.

Results

The operating result for the year was a surplus of $994,296 (2020: $1,279,190) after providing an income tax benefit of $Nil (2020: $679,883).

Bonus for Surplus Distribution

During the financial year, the Co-operative paid out a bonus for surplus distribution of $1,507,692 (2020: $1,507,812).

Reserves

The Directors recommended that 30% of the operating profit amounting to $298,289 for the year ended 31 December 2021 (2020: $383,757) be transferred to reserves.

Bad and Doubtful Debts

Prior to the completion of the Co-operative's financial statements, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the provision for doubtful debts (expected credit loss). In the opinion of Directors, provision for doubtful debts is adequate.

As at the date of this report, the Directors are not aware of any circumstances, which would render the amount written off for bad debts, or the provision for doubtful debts in the Co-operative, inadequate to any substantial extent.

Non-current Assets

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

Non-current Assets *continued*

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

Basis of Accounting

The Directors of the Co-operative believe that the basis of preparation of the financial statements is appropriate and that the Co-operative will be able to conduct its normal operations in the next twelve months. The Directors of the Co-operative resolved that the classification and carrying amounts of assets and liabilities included in these financial statements are appropriate.

Unusual Transactions

In the opinion of the Directors, the results of the operations of the Co-operative during the financial year were not substantially affected by any item, transaction or event of a material unusual nature, nor has there arisen between the end of the financial year and the date of this report any item, transaction or event of a material unusual nature likely, in the opinion of the Directors, to affect substantially the results of the operations of the Co-operative in the current financial year, other than those reflected in the financial statements.

Significant events during the year

Impact of COVID-19 pandemic on the Co-operative

The coronavirus disease (COVID-19) outbreak has evolved rapidly, bringing a significant health impact globally. Measures taken to contain the virus continue to have a significant impact on global markets and economic activity. Fiji is still feeling the impact with business disruption and levels of activity reducing in several market sectors.

The Co-operative has remained operational since this declaration and continues to engage in its principal activities. We have not seen a significant impact on our operations to date. The Directors and management are carefully considering the impact of the COVID-19 pandemic on the Co-operative and assessing future operational options. The future financial impacts, however, cannot be reasonably estimated at this time, as they will be largely the product of matters the Co-operative cannot control.

The Directors and management believe the Co-operative has sufficient financial resources together with arrangements with their members and suppliers at this time to be able to successfully manage their business risks despite the current uncertain economic outlook due to the COVID-19 outbreak.

On 25 April 2021, in response to the COVID-19 pandemic, the Government announced a number of measures including lockdown of certain containment areas within Viti Levu. Under the lockdown restrictions, all non-essential businesses are required to be closed unless the workplace was deemed part of a permitted industry as set out by the Government.

In July 2021 the Fijian Government ramped up its vaccination drive with a national target of 80 percent of the target population to be fully vaccinated by 31 October 2021. The Government was able to attain 90 percent in November and as a result the current containment measures with restrictions are easing as the fully vaccinated percentage increases. Furthermore, Fiji's borders were opened in December 2021 increasing economic activity. The duration and extent of the pandemic and related financial, social and public health impacts of the COVID-19 pandemic are uncertain.

Events Subsequent to Balance Date

The effects of COVID-19 have manifested in the interval between the end of the financial year and the date of this report, and will continue to affect significantly the operations of the Co-operative in the subsequent financial year.

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

Other Circumstances

As at the date of this report:

(i) no charge on the assets of the Co-operative has been given since the financial year ended 31 December 2021 to secure the liabilities of any other person;

(ii) no contingent liabilities have arisen since the financial year ended 31 December 2021 for which the Co-operative could become liable; and

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

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

Auditor Independence

The Directors have obtained an independence declaration from the Co-operative's auditor, Ernst & Young. A copy of the auditor's independence declaration is set out in the *Auditor's Independence Declaration to the Co-operative* on page 6.

Directors' Benefits

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than those included in the aggregate amount of emoluments received or due and receivable by Directors shown in the financial statements or received as the fixed salary of a full-time employee of the Co-operative or of a related corporation) by reason of a contract made by the Co-operative or by a related corporation with the Director or with a firm of which he is a member, or with a Co-operative in which he has a substantial financial interest.

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

Dated this 23rd day of March 2022.

....	....	....
Chairman	Treasurer	Secretary

FIJI TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 31 DECEMBER 2021

The Board of Directors of the Co-operative have made a resolution that declared:

(a) in the Directors' opinion, the financial statements and notes of the Co-operative for the financial year ended 31 December 2021:

    (i) give a true and fair view of the financial position of the Co-operative as at 31 December 2021 and of the performance of the Co-operative for the year ended 31 December 2021; and

(b) at the date of this declaration, in the Directors' opinion, there are reasonable grounds to believe that the Co-operative will be able to pay its debts as and when they become due and payable.

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

Dated this 23rd day of March 2022.

....	....	....
Chairman	Treasurer	Secretary

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AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF FIJI TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED

As lead auditor for the audit of Fiji Teachers Union Co-operative Thrift and Credit Limited for the financial year ended 31 December 2021, I declare to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Fiji Teachers Union Co-operative Thrift and Credit Limited and the entity it controlled during the financial year.

Ernst & Young
Chartered Accountants

Steven Pickering
Partner
Suva, Fiji

23 March 2022

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INDEPENDENT AUDITOR'S REPORT

To the Members of Fiji Teachers Union Co-operative Thrift and Credit Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Fiji Teachers Union Co-operative Thrift and Credit Limited (the Co-operative), which comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, the statement of changes in members' funds and reserves and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters referred to in the Basis for Qualified Opinion section of our report, the accompanying financial statements give a true and fair view of the financial position of the Co-operative as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Co-operatives Act 1996.

Basis for Qualified Opinion

The Co-operative has recorded Loans to Members of $32,444,586 and Amounts due from Related Parties of $18,260,422. An allowance for expected credit loss in relation to these receivables should be calculated in accordance with IFRS9, however the recorded allowances for expected credit loss of $343,425 (for Loans to Members) and nil (for Amount due from Related Parties) have not been calculated in accordance with these requirements. Given this and the lack of other evidence available, we were unable to determine by alternative means whether the recorded allowances for expected credit loss were appropriately recorded. Consequently, we were unable to determine whether any adjustments to the net recorded value of the Co-operative's Loans to Members or Amounts due from Related Parties were required.

The Co-operative's investment in Hide-A-Way Resort should be recorded at fair value, with any movement in this value recognised in profit or loss. The Co-operative has not provided sufficient appropriate evidence to support the assessed fair value of its investment in Hide-A-Way Resort, recorded at $13,878,119. We were unable to determine by alternative means the fair value of this investment at 31 December 2021. Consequently, we were unable to determine whether any adjustment to the recorded value of the Co-operative's investment in Hide-A-Way Resort was necessary.

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Co-operative in accordance with the *International Ethics Standards Board for Accountant's Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Fiji and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

INDEPENDENT AUDITOR'S REPORT *continued*

Other Information

The Directors are responsible for the other information. The other information comprises the *Directors' Report* but does not include the financial statements and the auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated. If, based upon the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Directors and management are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS and the Co-operative Act 1996, and for such internal control as the Directors and management determine 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, the Directors and management are responsible for assessing the Co-operative'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 the Directors and management either intend to liquidate the Co-operative or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Co-operative's financial reporting process.

Auditor's 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 auditor's 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 ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud and 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 the financial statements.

As part of an audit in accordance with ISA, we exercise professional judgement 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.

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INDEPENDENT AUDITOR'S REPORT *continued*

Auditor's Responsibilities for the Audit of the Financial Statements *continued*

- 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 Co-operative's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Directors and management.
- Conclude on the appropriateness of the Directors' 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 Co-operative's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Co-operative 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been prepared in accordance with the requirements of the Co-operative Act 1996 in all material respects, and;

(a) we have been given all information, explanations and assistance necessary for the conduct of the audit; and

(b) the Co-operative has kept financial records sufficient to enable the financial statements to be prepared and audited.

Ernst & Young
Chartered Accountants

Steven Pickering
Partner
Suva, Fiji

23 March 2022

A member firm of Ernst & Young Global Limited

FIJI TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 $	2020 $
Interest income	5 (a)	2,410,337	2,091,384
Rental income		310,029	286,124
Other revenue	5 (b)	1,725	27,016
Total income		2,722,091	2,404,524
Administrative expenses	5 (d)	(189,588)	(245,168)
Depreciation and amortisation expense - property, plant and equipment	12 and 13	(39,071)	(44,126)
Depreciation expense - right-of-use assets	24 (a)	(20,760)	(20,759)
Property maintenance expense		(14,505)	(26,463)
Operating expenses	5 (c)	(277,489)	(301,545)
Total administration and operating expenses		(541,413)	(638,061)
Profit from operations		2,180,678	1,766,463
Finance costs	5 (e)	(1,186,382)	(1,167,156)
Profit before income tax		994,296	599,307
Income tax benefit	6	-	679,883
Profit for the year		994,296	1,279,190
Other comprehensive income		-	-
Total comprehensive income for the year, net of tax		994,296	1,279,190

The accompanying notes form an integral part of this Statement of Profit or Loss and Other Comprehensive Income.

FIJI TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED
STATEMENT OF CHANGES IN MEMBERS' FUNDS AND RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2021

Members' funds and reserves	Notes	2021 $	2020 $
Members Hide-A-Way shares			
Balance at 1 January		10,968,494	11,818,316
Movement during the year		(513,287)	(849,822)
Balance at 31 December	18	10,455,207	10,968,494
Members shares			
Balance at 1 January		46,815,629	47,618,980
Contributions during the year		5,830,297	5,299,199
		52,645,926	52,918,179
Withdrawals during the year		(3,140,721)	(4,625,633)
		49,505,205	48,292,546
Shares transferred to loan account		(1,130,262)	(1,476,917)
Balance at 31 December	20	48,374,943	46,815,629
Reserve fund			
Balance at 1 January		4,675,568	4,291,811
Operating profit		298,289	383,757
Balance at 31 December	21	4,973,857	4,675,568
Retained earnings			
Balance at 1 January		4,068,326	4,680,705
Operating profit		696,007	895,433
Less: bonus for surplus distribution		(1,507,692)	(1,507,812)
Balance at 31 December		3,256,641	4,068,326
Total members funds and reserves		67,060,648	66,528,017

The accompanying notes form an integral part of this Statement of Changes in Members' Funds and Reserves.

FIJI TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	2021 $	2020 $
Assets			
Cash and cash equivalents	8	4,101,869	2,837,353
Trade and other receivables	7	298,302	230,252
Financial assets	9	538,460	1,025,849
Loans to members	14	32,444,586	33,605,531
Investment properties	11	18,905,000	18,905,000
Amount due from related parties	23 (c)	18,260,422	16,872,656
Investment in subsidiary	10	13,878,119	13,878,119
Property, plant and equipment	12	98,120	89,049
Right-of-use assets	24 (a)	134,560	155,320
Intangible assets	13	48,501	64,038
Total assets		88,707,939	87,663,167
Liabilities			
Trade and other payables	16	732,671	556,183
Interest bearing borrowings	15	16,550,121	16,294,883
Lease liabilities	24 (b)	146,612	164,763
Employee entitlements	17	27,749	35,367
Deferred income	19	2,980,644	2,874,460
Deferred tax liability	6	1,209,494	1,209,494
Total liabilities		21,647,291	21,135,150
Net assets		67,060,648	66,528,017
Members' funds and reserves			
Members Hide-A-Way shares	18	10,455,207	10,968,494
Members shares	20	48,374,943	46,815,629
Reserve fund	21	4,973,857	4,675,568
Retained earnings		3,256,641	4,068,326
Total members' funds and reserves		67,060,648	66,528,017

The accompanying notes form an integral part of this Statement of Financial Position.

FIJI TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021	2020
		$	$
Operating activities			
Receipts of interest, rentals and other income		2,774,273	2,419,013
Cash paid to suppliers and employees		(1,820,404)	(2,103,951)
Interest paid		(1,186,382)	(1,167,156)
Net loan repayments from members		1,160,945	1,682,347
Net cash flows from operating activities		928,432	830,253
Investing activities			
Acquisition of plant and equipment		(23,037)	(23,305)
Acquisition of intangible assets		(9,568)	-
Net proceeds from term deposits		473,341	15,049
Net loan to subsidiary		(1,387,766)	(1,210,000)
Net cash flows used in investing activities		(947,030)	(1,218,256)
Financing activities			
Net repayments from/(to) members		1,559,314	(803,351)
Net proceeds from/(repayment) to HFC loan		255,238	367,422
Net withdrawals from Hide-A-Way shares		(513,287)	(849,822)
Lease payments - principal portion only		(18,151)	(16,580)
Net cash flows from/(used in) financing activities		1,283,114	(1,302,331)
Net increase/(decrease) in cash and cash equivalents		1,264,516	(1,690,334)
Cash and cash equivalents at 1 January		2,837,353	4,527,687
Cash and cash equivalents at 31 December	8	4,101,869	2,837,353

The accompanying notes form an integral part of this Statement of Cash Flows.

1 Corporate Information

The financial statements of Fiji Teachers Union Co-operative Thrift and Credit Limited (the Co-operative) for the year ended 31 December 2021 were authorised for issue in accordance with a resolution of the Directors on 23 March 2022.

Fiji Teachers Union Co-operative Thrift and Credit Limited is a Co-operative incorporated and domiciled in Fiji and operating under its own By-Laws. The principal activities of the Co-operative are described in Note 26.

2 Basis of preparation of the financial statements

The financial statements have been prepared on a historical cost basis except for investment properties and financial instruments that have been measured at fair value. The financial statements are presented in Fiji dollars and all values are rounded to the nearest dollar except when otherwise indicated.

Statement of compliance

The financial statements of Fiji Teachers Union Co-operative Thrift and Credit Limited have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The financial statements provide comparative information in respect of the previous financial year ended 31 December 2021.

Basis of consolidation

The Co-operative is an investment entity, therefore, it holds its investments in subsidiaries at fair value rather than consolidating the same. Investments in subsidiaries are classified as fair value through profit or loss in accordance with IFRS 9.

Going concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

2.1 IFRS Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Co-operative's financial statements are disclosed below. The Co-operative intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

New standards and amendments	Effective date
Reference to the Conceptual Framework – Amendments to IFRS 3	1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16	1 January 2022
Onerous Contracts – Costs of Fulfilling a Contract – Amendmentsto IAS 37	1 January 2022
IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities	1 January 2022
Amendments to IAS 1: Classification of Liabilities as Current or Non-current	1 January 2023

2.1 IFRS Standards issued but not yet effective *continued*

New standards and amendments	Effective date
Definition of Accounting Estimates - Amendments to IAS 8	1 January 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	1 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	1 January 2023

2.2 Changes in significant accounting policies

There were no changes in significant accounting policies during the year.

2.3 Summary of significant accounting policies

a) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short term deposits with an original maturity of three months or less.

b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Such costs include the cost of replacing part of the plant and equipment when that cost is incurred, if the recognition criteria is met. When significant parts of property, plant and equipment are required to be replaced in intervals, the Co-operative recognises such parts as individual assets with specific useful lives and depreciation respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria is satisfied. All other repair and maintenance costs are recognised in the Statement of Profit or Loss and Other Comprehensive Income as incurred.

Depreciation is calculated on a straight-line basis over the useful life of the asset as follows:

Computers	10%
Buildings	1%
Office renovation	10%
Equipment, furniture & fittings	10%
Motor vehicles	18%

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

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

2.3 Summary of significant accounting policies *continued*

c) Investment properties

Investment property is held for long-term rental yields or for capital appreciation or both, and is not occupied by the Co-operative.

Investment property is measured initially at cost including transaction costs. The carrying amount also includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met.

Subsequent to initial recognition, investment property is stated at fair value. Gains or losses arising from changes in the fair values are included in the Statement of Profit or Loss and Other Comprehensive income in the year in which they arise, including the corresponding tax effect.

Investment property is derecognised when it has been disposed of or permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset would result in either gains or losses at the retirement or disposal of investment property.

d) Fair value measurement

The Co-operative measures its investments in properties and subsidiaries as well as its investments in financial instruments, such as shares at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Co-operative. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price, without any deduction for transaction costs.

For all other financial instruments not traded in an active market, the fair value is determined using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm's length market transactions, adjusted as necessary, and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

2.3 Summary of significant accounting policies *continued*

e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is renewed at least at each financial year end.

Changes in the expected useful life or expected pattern of consumption in future economic benefits embodied in the asset is accounted by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible assets. Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit or Loss and Other Comprehensive income when the asset is derecognised.

f) Income tax

The Co-operative is not liable for income tax under Part 2 (1) of Regulation 3 of the Income Tax Act Regulation 2016, however the exemption shall not exceed 8 years from the date of registration as a co-operative society.

This exemption applies to Co-operative where the activities of the Cooperative is to accept deposits from members and non-members and granting loans for productive purposes to members. Under Part 2 (2) of Regulation 3 of the Income Tax Act 2016, the exemption does not apply to income derived from a trade or business carried on by the Society. Thus interest income derived by the Cooperative is exempt from income tax, however rental income is subject to income tax.

g) Financial instruments

i) Recognition and measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Co-operative becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

2.3 Summary of significant accounting policies *continued*

g) Financial instruments *continued*

ii) Classification and measurement

On initial recognition, a financial asset is classified as measured at amortised cost, FVOCI or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Co-operative changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Co-operative may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Co-operative makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Co-operative's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and demonstrate why those sales do not reflect a change in the entity's business model.

2.3 Summary of significant accounting policies *continued*

g) Financial instruments *continued*

ii) Classification and measurement *continued*

Financial assets: Business model assessment *continued*

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Co-operative's continuing recognition of the assets.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Co-operative considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Co-operative considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Co-operative's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Financial assets: Subsequent measurement and gains and loss

Financial assets that are measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

2.3 Summary of significant accounting policies *continued*

g) Financial instruments *continued*

iii) Derecognition

Financial assets

The Co-operative derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Co-operative neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Co-operative enters into transactions whereby it transfers assets recognised in its Statement of Financial Position, but retains either all or substantially all of the risks and rewards of the transferred assets In these cases the transferred assets are not derecognised.

Financial liabilities

The Co-operative derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Co-operative also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Co-operative currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

h) Impairment

i) Non-derivative financial assets

The Co-operative recognises loss allowances for ECLs on financial assets measured at amortised cost.

The Co-operative measures loss allowances at an amount equal to lifetime ECL, except for the following, which are measured as 12-month ECL:

- other receivables and cash at bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

2.3 Summary of significant accounting policies *continued*

h) Impairment *continued*

i) Non-derivative financial assets *continued*

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Co-operative considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Co-operative's historical experience and informed credit assessment and including forward-looking information.

The Co-operative assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Co-operative considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Co-operative in full, without recourse by the Co-operative to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Co-operative considers another receivable or cash balance to have low credit risk when its credit risk rating is equivalent to the globally understood definition of "investment grade".

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Co-operative is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e the difference between the cash flow due to the Co-operative in accordance with the contract and the cash flows that the Co-operative expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Co-operative assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

2.3 Summary of significant accounting policies *continued*

h) Impairment *continued*

Credit-impaired financial assets

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Co-operative on terms that the Co-operative would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Co-operative determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Co-operative’s procedures for recovery of amounts due.

ii) Non-financial assets

The carrying amounts of the Co-operative's non-financial assets, other than inventories 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.

An impairment loss is reversed only to the extent that the asset's carrying amount cannot exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

2.3 Summary of significant accounting policies *continued*

i) Loans to members

Loans to members are stated at principal loan advanced plus accrued interest.

j) Employee entitlements

Annual leave

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

Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

k) Trade and other payables

Liabilities for trade creditors and other amounts are carried at cost (inclusive of VAT where applicable) which is the fair value of the consideration to be paid in the future for goods and services received whether or not billed to the Co-operative. Amounts payable that have been denominated in foreign currencies have been translated to local currency using the rates of exchange ruling at the end of the financial year.

l) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Co-operative recognises revenue when it transfers control over a product or service to a customer. Rental income from the leasing of properties is recognised on a accrual basis. Interest income is accrued on the monthly outstanding balance at the prevailing interest rate of 6% per annum.

m) Comparative figures

Comparative figures have been amended where necessary, for changes in presentation in the current year.

3. Significant accounting judgments, estimates and assumptions

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

In the process of applying the Co-operative's accounting policies, management has made the following judgments, which has the most significant effect on the amounts recognised in the financial statements:

a) *Assessment as investment entity*

Entities that meet the definition of an investment entity within IFRS 10 are required to measure their subsidiaries at FVPL rather than consolidate them. The criteria which define an investment entity are, as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment management services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Co-operative's By-Laws details its objective of providing investment management services to investors. The objective of FTU CTCL is to provide its investors with maximum returns on their shares by investing in equities and property investments for the purpose of returns in the form of investment income and capital appreciation.

The Board has also concluded that the Co-operative meets the additional characteristics of an investment entity, in that it has more than one investment; the Co-operative's ownership interests are predominantly in the form of equities and property investments; it has more than one investor and its investors are not related parties.

The Board has concluded that the Co-operative meets the definition of an investment entity. These conclusions will be reassessed on a continuous basis, if any of these criteria or characteristics change.

3. Significant accounting judgments, estimates and assumptions *continued*

b) *Impairment of loans*

Impairment of loan balances is assessed at an individual level as well as on a collective level. If there is objective evidence that impairment loss on loans and receivable financial assets has occurred, the carrying value of the asset is reduced by the use of an allowance account. The amount of the loss is recognised in the Statement of Comprehensive Income.

c) *Fair value gain to investment*

Gains or losses arising from changes in the fair value of investment property are included in the Statement of Comprehensive Income in the period in which they arise.

d) *Determining the lease term of contracts with renewal and termination options – Co-operative as lessee*

The Co-operative determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

e) *Leases - Estimating the incremental borrowing rate*

The Co-operative cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Co-operative would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Co-operative 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Co-operative estimates the IBR using observable inputs (such as market interest rates) when available.

4. Segment information

The Co-operative operates predominantly in the credit and property investment industry.

Business segments

The following tables present revenue and profit information and certain asset and liability information regarding the segments for the years ended 31 December 2021 and 2020.

Year ended 31 December 2021	Finance activities	Investment activities	Eliminations	Total
	$	$	$	$
Revenue				
Interest on loan to members	2,284,507	-	(282,138)	2,002,369
Interest on loan to subsidiary	329,565	-	-	329,565
Rental income	-	310,029	-	310,029
Interest on term deposits	30,556	-	-	30,556
Bank interest	45,969	1,878	-	47,847
Other revenue	1,725	-	-	1,725
	2,692,322	311,907	(282,138)	2,722,091

4. Segment information *continued*

Business segments *continued*

Year ended 31 December 2021	Finance activities $	Investment activities $	Eliminations $	Total $
Results				
Administrative expenses	(172,863)	(16,725)	-	(189,588)
Depreciation and amortisation expense	(50,356)	(9,475)	-	(59,831)
Property maintenance expense	(1,323)	(13,182)	-	(14,505)
Operating expenses	(197,406)	(80,083)	-	(277,489)
Profit from operations	2,270,374	192,442	(282,138)	2,180,678
Finance costs	(11,123)	(1,457,397)	282,138	(1,186,382)
Income tax benefit	-	-	-	-
Net profit/(loss)	2,259,251	(1,264,955)	-	994,296
Assets and liabilities				
Segment assets	4,954,368	19,170,444	-	24,124,812
Loan to members	45,595,184	-	(13,150,598)	32,444,586
Investment in subsidiary	-	13,878,119	-	13,878,119
Amount due from related parties	18,673,995	11,845,241	(12,258,814)	18,260,422
Total assets	69,223,547	44,893,804	(25,409,412)	88,707,939
Segment liabilities	(536,051)	(1,580,475)	-	(2,116,526)
Interest bearing borrowings	-	(21,345,493)	4,795,372	(16,550,121)
Deferred income	(2,980,644)	-	-	(2,980,644)
Amount payable to related parties	(3,574,297)	-	3,574,297	-
Related party borrowings	-	(17,039,743)	17,039,743	-
Total liabilities	(7,090,992)	(39,965,711)	25,409,412	(21,647,291)
Other segment information				
Deferred tax liability	-	(1,209,494)	-	(1,209,494)

Year ended 31 December 2020	Finance activities $	Investment activities $	Eliminations $	Total $
Revenue				
Interest on loan to members	2,321,313	-	(276,551)	2,044,762
Rental income	-	286,124	-	286,124
Interest on term deposits	39,103	-	-	39,103
Bank interest	6,853	666	-	7,519
Other revenue	572	26,444	-	27,016
	2,367,841	313,234	(276,551)	2,404,524

4. Segment information *continued*

Business segments *continued*

Year ended 31 December 2020	Finance activities	Investment activities	Eliminations	Total
	$	$	$	$
Results				
Administrative expenses	(231,672)	(13,496)	-	(245,168)
Depreciation and amortisation expense	(56,982)	(7,903)	-	(64,885)
Property maintenance expense	(2,102)	(24,361)	-	(26,463)
Operating expenses	(216,145)	(85,400)	-	(301,545)
Profit from operations	1,860,940	182,074	(276,551)	1,766,463
Finance costs	(12,694)	(1,431,013)	276,551	(1,167,156)
Income benefit	-	679,883	-	679,883
Net profit/(loss)	1,848,246	(569,056)	-	1,279,190
Assets and liabilities				
Segment assets	4,202,168	19,104,693	-	23,306,861
Loan to members	38,256,265	-	(4,650,734)	33,605,531
Investment in subsidiary	-	13,878,119	-	13,878,119
Amount due from related parties	24,720,990	10,845,241	(18,693,575)	16,872,656
Total assets	67,179,423	43,828,053	(23,344,309)	87,663,167
Segment liabilities	(395,701)	(1,570,125)	19	(1,965,807)
Interest bearing borrowings	-	(20,945,617)	4,650,734	(16,294,883)
Deferred income	(2,874,460)	-	-	(2,874,460)
Amount payable to related parties	(3,574,297)	-	3,574,297	-
Related party borrowings	-	(15,119,259)	15,119,259	-
Total liabilities	(6,844,458)	(37,635,001)	23,344,309	(21,135,150)
Other segment information				
Deferred tax liability	-	(1,209,494)	-	(1,209,494)

5. Revenue and expenses

(a) Interest income

	2021	2020
	$	$
Interest on loan from members	2,002,369	2,044,762
Interest on loan to subsidiary	329,565	-
Interest on term deposit	30,556	39,103
Bank interest	47,847	7,519
	2,410,337	2,091,384

(b) Other revenue

	$	$
Sundry income	1,087	11,439
Rental bond recovered	-	15,005
Entrance fee	638	572
	1,725	27,016

		2021	2020
5.	Revenue and expenses *continued*	$	$
(c)	Operating expenses		
	City rates	10,951	8,444
	Electricity	21,471	20,811
	Fuel	1,220	-
	Insurance	27,521	36,265
	Salaries and wages	209,285	228,411
	Business licenses	508	-
	Chemicals	43	379
	Pest control	2,450	4,270
	Pool maintenance	1,303	1,195
	Water	2,737	1,770
		277,489	301,545

(d)	Administrative expenses	$	$
	Accounting fee	8,054	15,783
	Advertising	1,616	2,217
	Annual general meeting	-	6,616
	Annual leave	3,668	7,942
	Auditor's remuneration	42,000	42,000
	Bank charges	7,534	7,703
	Board Honorarium	2,950	2,950
	Board members' allowances	12,410	22,118
	Computer upkeep	19,304	14,593
	Commission	2,925	5,350
	Dispenser	1,028	-
	Electronic data processing commission	332	305
	Fax	148	196
	FNPF Employer Contribution	17,603	12,366
	Fiji National University levy	1,896	4,321
	General expenses	413	3,008
	Internet	1,505	1,668
	Legal fee	-	1,619
	Office expenses	7,506	11,763
	Office rent	2,400	2,200
	Post box rental	43	73
	Postage and stamps	11,928	17,694
	Printing and stationery	17,276	44,065
	Rent refund	3,930	-
	Service charges	194	-
	Stamp duty	-	3,020
	Telephone	11,804	13,709
	Travel and accommodation	3,845	1,889
	Unrealised exchange loss	2,000	-
	Valuation fees	5,276	-
		189,588	245,168

	2021	2020
5. Revenue and expenses *continued*	$	$
(e) Finance costs		
Interest on bank loans	1,175,259	1,154,462
Interest on leases	11,123	12,694
	1,186,382	1,167,156

	2021	2020
6. Income tax	$	$
Reconciliation of tax expense and accounting profit multiplied by Fiji's tax rate for 2021 and 2020:		
Operating loss before income tax attributed to CTCL Properties (page 48)	(1,264,955)	(1,248,939)
Prima facie tax benefit thereon at the rate of 20%	(252,991)	(249,788)
Tax effect of non-deductible differences	236,368	232,167
Tax losses not recognised	16,623	17,620
Restatement of deferred tax liabilities	-	(679,882)
Income tax (benefit)/expense attributable to operating loss	-	(679,883)
Deferred tax at 31 December relates to the following:		
Deferred tax on revaluation of investment properties	(1,209,494)	(1,209,494)
	(1,209,494)	(1,209,494)
Represented on the statement of financial position:		
Deferred tax liability	(1,209,494)	(1,209,494)

	2021	2020
7. Trade and other receivables	$	$
Trade receivables	46,452	26,902
Vodafone imprest	200,000	201,500
Digicel imprest	50,000	-
Other receivables	1,850	1,850
	298,302	230,252

As at 31 December 2021 trade and other receivables at nominal value of $298,302 (2020: $230,252) were examined for impairment and $Nil (2020: $Nil) were provided for.

		2021	2020
8. Cash and cash equivalents		$	$

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand and in banks and investment in money market instruments. Cash and cash equivalents at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2021	2020
Cash at bank	1,912,045	1,458,333
Cash at bank - IMP	1,671,519	1,054,900
Cash at Bank - RF	72,276	72,336
Cash at bank - Hide-A-Way RF	(6)	(6)
Cash at bank - WBC	88,594	49,162
Cash at bank - Dividend WBC	356,941	202,128
Petty cash imprest	500	500
	4,101,869	2,837,353

9. Financial assets		$	$
Equity instrument			
Shares in Fiji Television Limited		9,000	11,000
Debt instrument			
Term deposits	9 (a)	529,460	1,014,849
		538,460	1,025,849

Particulars relating to financial assets:

(a) Term deposits are placed with Kontiki Finance Limited and earn interest at 2.5% per annum. The terms of the deposits are for 12 months.

10. Investment in subsidiary	$	$
Hide-A-Way Resort Limited - ordinary shares	13,878,119	13,878,119

Particulars relating to financial assets:

(a) The Co-operative owns 528,852 ordinary shares (90.66%) in Hide-A-Way Resort Pte Limited and has full control over the subsidiary company. The results of Hide-A-Way Resort Pte Limited are not consolidated in these financial statements as the Co-operative is an investment entity and therefore was required to hold the investment in subsidiary at fair value rather than consolidating the results.

11. Investment properties

	Nailuva road	Rewa street	Tower 2000	Knolly street land	Vuda land	Total
	$	$	$	$	$	$
Fair value						
At 1 January 2020	1,890,000	2,260,000	6,750,000	2,590,000	5,415,000	18,905,000
At 31 December 2020	1,890,000	2,260,000	6,750,000	2,590,000	5,415,000	18,905,000
At 31 December 2021	1,890,000	2,260,000	6,750,000	2,590,000	5,415,000	18,905,000
Net book value						
At 31 December 2021	1,890,000	2,260,000	6,750,000	2,590,000	5,415,000	18,905,000
At 31 December 2020	1,890,000	2,260,000	6,750,000	2,590,000	5,415,000	18,905,000

The properties were valued at July 2020 based on the reports by an independent valuer (Pacific Valuations Pte Limited) using a market approach, applying the comparable sales method resulting in $Nil increase in the value attached to the Co-operative's investment properties (2019: $Nil).

The independent valuers are of the view that the fair value of the property has not changed due to no comparable market data available. Also, there is no fixed rate or assessment for the impact of Covid-19 and no concrete evidence of reduction or probable impairment of investment properties in Suva area. Due to the lack of active market information the experts are of the view that the property fair values will not change.

The Directors have adopted the valuation reports and are of the view that the carrying amounts recorded approximate the fair values of the properties as at 31 December 2021. The valuations are based on Level 3 inputs. The valuer based its assessment on comparable sales information obtained from market sources around land sale rates per square metre and building sale rates per square metre in the same comparable locations.

12. Property, plant and equipment

	Land and building $	Office renovation $	Computers $	Furniture and fittings $	Office and gym equipment $	Motor Vehicles $	Tools $	Total $
Cost:								
At 1 January 2020	11,680	84,675	88,159	211,376	72,009	46,000	4,226	518,125
Additions	-	-	1,899	3,624	16,284	-	1,498	23,305
At 31 December 2020	11,680	84,675	90,058	215,000	88,293	46,000	5,724	541,430
Additions	-	-	5,347	4,482	11,729	-	1,479	23,037
At 31 December 2021	11,680	84,675	95,405	219,482	100,022	46,000	7,203	564,467
Depreciation and impairment:								
At 1 January 2020	(5,692)	(71,551)	(78,897)	(200,279)	(28,708)	(46,000)	(1,650)	(432,777)
Depreciation charge for the year	-	(8,467)	(1,187)	(2,301)	(7,157)	-	(492)	(19,604)
At 31 December 2020	(5,692)	(80,018)	(80,084)	(202,580)	(35,865)	(46,000)	(2,142)	(452,381)
Depreciation charge for the year	-	(1,398)	(1,703)	(1,806)	(8,451)	-	(608)	(13,966)
At 31 December 2021	(5,692)	(81,416)	(81,787)	(204,386)	(44,316)	(46,000)	(2,750)	(466,347)
Net book value								
At 31 December 2021	5,988	3,259	13,618	15,096	55,706	-	4,453	98,120
At 31 December 2020	5,988	4,657	9,974	12,420	52,428	-	3,582	89,049

	2021	2020
13. Intangible assets	$	$
Cost		
At 1 January	122,612	122,612
Additions	9,568	-
At 31 December	132,180	122,612
Depreciation and amortisation		
At 1 January	(58,574)	(34,052)
Amortisation charge for the year	(25,105)	(24,522)
At 31 December	(83,679)	(58,574)
Net book value	48,501	64,038

14. Loans to members	$	$
Balance as at 31 December	32,788,011	33,948,956
Less: allowance for expected credit loss	(343,425)	(343,425)
	32,444,586	33,605,531

As at 31 December 2021 trade and other receivables at nominal value of $32,788,011 (2020: $33,948,956) were examined for impairment and $343,425 (2020: $343,425) were provided for.

Movement in the provision for impairment of loans to members were as follows:

At 1 January	343,425	343,425
Movement during the year	-	-
At 31 December	343,425	343,425

Internal loans for Tower, Rewa and CTCL Properties amounting to $3,370,877, $1,424,496 and $17,039,743 respectively at year end, were eliminated from loans to members.

(i) As at 31 December 2021, the balance of loans receivable from the board and the committee members of the Co-operative amounted to $230,479 (2020: $472,103); and

(ii) A sum of $343,425 (2020: $343,425) was recorded as allowance for estimated credit loss.

15. Interest-bearing borrowings	2021 $	2020 $
Current		
Secured loan - HFC	809,053	798,936
Non- current		
Secured loan - HFC	15,741,068	15,495,947
Total interest bearing borrowings	16,550,121	16,294,883

Particulars relating to interest-bearing borrowings:

a) The Co-operative has a loan facility with HFC Bank. The loan facilities attracts an interest rate of 7% per annum. The bank loans is secured by:

i) First registered mortgage over the residential property legally described as Lot 2&3 on DP 511 as contained in Certificate of Title No. 22115 & 22116, situated at 65 Knolly Street, Suva and improvements thereon;

ii) First registered mortgage debenture over all assets and undertakings of the co-operative including uncalled and unpaid premiums;

iii) First registered guaranteed mortgage over the Special Use Tourism property contained in Native Lease No. 15937, situated at Coral Coast, given by Hide-A-Way Resort Pte Limited ;

iv) First registered mortgage over the residential property legally described as Lot 13 on DP 2280 as contained in Certificate of Title No. 12720, situated at 228 Rewa Street, Suva and improvements thereon;

v) First registered mortgage over the commercial property legally described as Lot 2 on DP 7119 as contained in Certificate of Title No. 27946, situated at Knolly Street, Suva and improvements thereon;

vi) First registered mortgage over the commercial property legally described as Lots 1- 4 on DP 4105 as contained in Certificate of Title No. 15272 and 15273, situated at 49 Nailuva Road, Suva and improvements thereon;

vii) First registered guarantee mortgage given by Hide-A-Way Resort Pte Limited over Native Lease No. 4/2/2014, situated at Vuda and improvements thereon;

viii) Unlimited guarantee given by Hide-A-Way Resort Pte Limited; and

ix) First registered mortgage debenture by Hide-A-Way Resort Pte Limited over all assets and undertakings of the company including uncalled and unpaid premiums.

	2021	2020
16. Trade and other payables	$	$
Trade creditors	226,213	213,866
Other payables	63,801	57,378
Provision for unclaimed dividends	297,827	139,836
Provision for dividends	144,830	145,103
Total trade and other payables	732,671	556,183

Terms and conditions of the above financial liabilities are:

- Trade payables are non-interest bearing and are normally settled on 30-day terms; and
- Other payables are non-interest bearing and mainly consists of rental deposits.

17. Employee entitlements	$	$
Current		
Annual leave		
As at 1 January	12,663	3,950
Net movement for the year	3,668	8,713
At 31 December	16,331	12,663
Non-current		
Long service leave		
As at 1 January	22,704	17,155
Net movement for the year	(11,286)	5,549
At 31 December	11,418	22,704
Total employee entitlements	27,749	35,367

18. Members Hide-A-Way shares $ $

Members of the Co-operative are given the opportunity to invest their funds in Hide-A-Way Resort Pte Limited, which is the subsidiary company of the Co-operative through a share scheme. The minimum shares of $390 and maximum of $5,850 are offered to its members. Members are able to purchase more shares at any point in time provided that the limit is not exceeded.

As at 1 January	10,968,494	11,818,316
Net movement for the year	(513,287)	(849,822)
At 31 December	10,455,207	10,968,494

	2021	2020
19. Deferred income	$	$

Deferred income represents In-house Mortgage Protection (IMP) fees charged at 0.5% on the loans taken by members. The amount is deferred and utilised against loans taken by members upon the death of a member.

In-house Mortgage Protection (IMP)	2,980,644	2,874,460

20. Members shares

(i) In accordance with Section 5 of the By Laws of the Co-operative, members have to subscribe to shares of the Co-operative. The par value of each members share is not less than one dollar and the minimum number of shares held by each member shall be $20. The shares are payable at the time of application.

(ii) The maximum amount of shares, which may be held by any one member, shall be established from time to time by resolution of the Board.

(iii) Section 5 of the Co-operative's By Laws further states that money paid on account of shares may be withdrawn in whole or in part subject to any indebtedness of the Co-operative.

(iv) Shares may be transferred from one member to their appointed nominee under Section 6 of the By Laws.

(v) In accordance with the Section each year, the Board may declare bonus on share capital from the reminder of the surplus after the statutory contribution to the reserve fund.

	$	$
Member shares	48,374,943	46,815,629

21. Reserve fund

In accordance with Section 100 of the Co-operative Act 1996 and Section 16 of the FTU CTCL Supplementary By-laws:

(i) Co-operative shall maintain a reserve fund which shall be indivisible and no member shall be entitled to claim a specific share of it;

(ii) The Co-operative shall allocate to the statutory reserve fund at least thirty percent of its surplus resulting from the transactions of the Co-operative with its members during the financial year. The entire surplus resulting from the transactions with non-members of the Co-operative during the financial year shall be allocated to the reserve fund. Until such time as the total amount in the reserve fund reaches at least half the value of the total assets of the Co-operative the Co-operative may reduce its allocation to the reserve fund to at least five percent of its surplus; and

(iii) The reserve fund shall be utilised for the development of the Co-operative.

	$	$
Reserve fund	4,973,857	4,675,568

22. Commitments and contingent liabilities

a) Contingent liabilities at balance date amounts to $Nil (2020: $Nil).

Income tax
The Co-operative is not liable for income tax under Part 2 (1) of Regulation 3 of the Income Tax Act Regulation 2016, however the exemption shall not exceed 8 years from the date of registration as a co-operative society.

This exemption applies to Co-operative where the activities of the Co-operative is to accept deposits from members and non-members and granting loans for productive purposes to members. Under Part 2 (2) of Regulation 3 of the Income Tax Act 2016, the exemption does not apply to income derived from a trade or business carried on by the Society. Thus there may be contingent tax liabilities for non-exempted period.

b) Capital commitments at balance date amounts to $Nil (2020: $Nil).

c) Operating lease income:	2021 $	2020 $
Undiscounted future lease commitments in respect of operating lease are as follows:		
Within one year	202,338	223,822
Later than one year but not more than five years	117,455	101,280
	319,793	325,102

The Co-operative leases rental properties based on a fixed annual rental charge.

d) Operating lease expense:	$	$
Undiscounted future lease commitments in respect of operating lease expense is:		
Within one year	26,874	35,874
Later than one year but not more than five years	81,096	81,096
	107,970	116,970

The Co-operative leases rental properties based on a fixed annual rental charge.

e) Guarantees:	$	$
Bank guarantees - Energy Fiji Limited deposit	60,000	60,000

23. Related party transactions

a) Identity of related parties

Board of Directors

The names of persons who were Directors of the Co-operative at any time during the financial year are as follows:

Mr. Muniappa Goundar (Chair)
Mr. Sashi Mahendra Shandil (Vice Chairman)
Mr. Arun Prasad (Secretary)
Mr. Pranesh Kumar (Treasurer)
Mr. Emanuel Kumar (Asst. Secretary)
Mrs. Ajeshni Nand
Mr. Rohitesh Chand
Mrs. Gyan Prasad
Mr. Mustafa Khan
Mr. Rajendra Vishnu Kumar
Mr. Vishnu Sharma
Mr. Ashween Chand Raj

Key management personnel

The following persons were the executive identified as key management personnel, with the greatest authority and responsibility for planning, directing and controlling the activities of the Co-operative.

Chandar Dutt (Chief Executive Officer)

b) Transactions with related parties		2021 $	2020 $
Entity	Transaction		
Key management personnel	Short term employee benefits	-	-

c) Amount receivable from related party	$	$
Current		
Loan receivable from subsidiary	18,260,422	16,872,656

24. Leases

a) Right-of-use assets

The Co-operative entered into lease agreements for office premises. Lease terms are for a period of 3 years and when approaching expiry, are either extended at the option of the Co-operative or are renegotiated.

Property	$	$
As at 1 January	155,320	176,079
Depreciation expense	(20,760)	(20,759)
As at 31 December	134,560	155,320

	2021	2020
24. Leases *continued*	$	$

b) Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2021 $	2020 $
As at 1 January	164,763	181,343
Add: accretion of interest for the year	11,533	12,694
Less: payments made during the year	(29,274)	(29,274)
At 31 December	146,612	164,763
Current	25,224	29,274
Non-current	121,798	135,489
	146,612	164,763

The table below summarises the maturity profile of the Co-operative's lease liabilities based on contractual undiscounted payments:

Year ended 31 December 2020	Less than 3 months $	3 to 12 months $	1 to 5 years $	> 5 years $	Total $
Lease liabilities	-	25,224	81,096	101,370	207,690

Year ended 31 December 2020	Less than 3 months $	3 to 12 months $	1 to 5 years $	> 5 years $	Total $
Lease liabilities	-	29,274	86,046	121,644	236,964

The following are amounts recognised in profit or loss:

	2021 $	2020 $
Depreciation expense of right-of-use assets	20,760	20,759
Interest expense on lease liabilities	11,533	12,694
Total amount recognised in profit or loss	32,293	33,453

The Co-operative had total cash outflows for leases of $29,274 (2020: $29,274).

The Co-operative has lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio to align with the Co-operative's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised (refer to Note 3).

25. Financial instruments risk management objectives and policies

The Co-operative's principal financial liabilities, comprise loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Co-operative's operations. The Co-operative's principal financial assets include trade receivables, and cash and short-term deposits that derive directly from its operations. The Co-operative also holds investments in debt and equity instruments.

25. Financial instruments risk management objectives and policies

The Co-operative is exposed to market risk, credit risk and liquidity risk. The Co-operative's senior management oversees the management of these risks. The Co-operative's senior management is supported by a financial committee that advises on financial risks and the appropriate financial risk governance framework for the Co-operative. The finance committee provides assurance to the Co-operative's senior management that the Co-operative's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Co-operatives' policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and debt and equity investments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Co-operative's exposure to the risk of changes in market interest rates relates primarily to the Co-operatives' long-term debt obligations.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Co-operative is exposed to credit risk from its operating activities (primarily loans to members) and from its financing activities, including deposits with banks and financial institutions, other financial instruments.

Loans to members and trade receivables

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, loans to members and trade receivables are written-off if past due for more than one year and are not subject to enforcement activity.

25. Financial instruments risk management objectives and policies *continued*

Capital management

For the purpose of the Co-operative's capital management, capital includes members Hide-A-Way shares, members shares and reserve fund attributable to equity holders of the parent.

The Co-operative manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Co-operative may adjust in accordance with the Co-operative's By-laws. The Co-operative monitors capital using a gearing ratio, which is 'net debt' divided by total capital plus net debt. The Co-operative includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

	2021 $	2020 $
Interest-bearing loans and borrowings (Note 15)	16,550,121	16,294,883
Lease liabilities (Note 24(b))	146,612	164,763
Trade and other payables (Note 16)	732,671	556,183
Less: cash and short-term deposits (Note 8)	(4,101,869)	(2,837,353)
Net debt	13,327,535	14,178,476
Equity	67,060,648	66,528,017
Total capital	67,060,648	66,528,017
Capital and net debt	80,388,183	80,706,493
Gearing ratio	17%	18%

26. Principal activities

The principal activities of the Co-operative in the course of the financial year were that of promoting thrift among its members, receiving the savings of its members, to grant loans to its members and to invest member savings. The Co-operative also holds investment properties which earns rental income.

27. Significant events during the year

Impact of COVID-19 pandemic on the Co-operative

The coronavirus disease (COVID-19) outbreak has evolved rapidly, bringing a significant health impact globally. Measures taken to contain the virus continue to have a significant impact on global markets and economic activity. Fiji is still feeling the impact with business disruption and levels of activity reducing in several market sectors.

The Co-operative has remained operational since this declaration and continues to engage in its principal activities. We have not seen a significant impact on our operations to date. The Directors and management are carefully considering the impact of the COVID-19 pandemic on the Co-operative and assessing future operational options. The future financial impacts, however, cannot be reasonably estimated at this time, as they will be largely the product of matters the Co-operative cannot control.

The Directors and management believe the Co-operative has sufficient financial resources together with arrangements with their members and suppliers at this time to be able to successfully manage their business risks despite the current uncertain economic outlook due to the COVID-19 outbreak.

On 25 April 2021, in response to the COVID-19 pandemic, the Government announced a number of measures including lockdown of certain containment areas within Viti Levu. Under the lockdown restrictions, all non-essential businesses are required to be closed unless the workplace was deemed part of a permitted industry as set out by the Government.

In July 2021 the Fijian Government ramped up its vaccination drive with a national target of 80 percent of the target population to be fully vaccinated by 31 October 2021. The Government was able to attain 90 percent in November and as a result the current containment measures with restrictions are easing as the fully vaccinated percentage increases. Furthermore, Fiji's borders were opened in December 2021 increasing economic activity. The duration and extent of the pandemic and related financial, social and public health impacts of the COVID-19 pandemic are uncertain.

28. Subsequent events

The effects of COVID-19 have manifested in the interval between the end of the financial year and the date of this report, and will continue to affect significantly the operations of the Co-operative in the subsequent financial year.

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

29. Co-operative details

Co-operative incorporation
The Co-operative is incorporated in Fiji under the Co-operative Act 1996.

Registered office/principal place of business
1-3 Berry Road
Suva
Fiji.

Number of employees at the end of the year	2021	2020
Finance and administration	13	13

Disclaimer on additional financial information

The following additional information, being the Detailed Income Statement, has been compiled by the management of Fiji Teachers Union Co-operative Thrift and Credit Limited and does not form part of the financial statements.

To the extent permitted by law, Ernst & Young does not accept liability for any loss or damage which any person, other than Fiji Teachers Union Co-operative Thrift and Credit Limited may suffer arising from any negligence on our part. No person should rely on the additional financial information without having an audit or review conducted.

FIJI TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED
STATEMENT OF FINANCIAL PERFORMANCE FOR CTCL
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 $	2020 $
Income		
Bank interest	45,969	6,853
Interest- term deposits	30,556	39,103
Interest income	360,469	317,947
Loan interest - CTCL	1,971,465	1,726,815
Loan interest - Tower/Rewa	282,138	276,551
Entrance fee	638	572
Sundry income	1,087	-
	2,692,322	2,367,841
Expenses		
Accounting fee	8,054	15,783
Advertising	1,394	1,521
Amortisation expense	24,061	23,661
Annual general meeting	-	6,616
Annual leave	3,668	8,712
Audit fee	42,000	42,000
Bank charges	7,068	7,244
Board members' allowances	12,410	22,118
Board honorarium	2,950	2,950
Computer upkeep	19,304	14,593
Depreciation - property, plant and equipment	5,535	12,562
Depreciation - right-of-use assets	20,760	20,759
Dispenser	1,028	-
Electricity	9,047	11,556
Electronic data processing commission	332	305
Fax	148	196
Fiji National Provident Fund employer contribution	17,603	12,366
Fiji National University levy	(1,088)	2,202
Fuel	1,220	-
General expenses	-	1,985
Insurance	2,527	2,227
Internet	1,505	1,668
Interest - leases	11,123	12,694
Office expenses	7,506	11,763
Pest control	150	-
Post box rental	43	73
Postage and stamps	11,928	17,694
Printing and stationery	17,276	44,065
Repairs and maintenance	1,323	2,102
Salaries and wages	184,444	202,359

This Statement of Financial Performance is to be read in conjunction with the disclaimer set out on page 44.

FIJI TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED
STATEMENT OF FINANCIAL PERFORMANCE FOR CTCL *continued*
FOR THE YEAR ENDED 31 DECEMBER 2021

Expenses *continued*	2021 $	2020 $
Telephone	13,889	15,929
Travel and accommodation	3,845	1,889
Unrealised loss on shares	2,000	-
Water	18	3
	433,071	519,595
Net profit from operations	2,259,251	1,848,246

This Statement of Financial Performance is to be read in conjunction with the disclaimer set out on page 44.

FIJI TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED
STATEMENT OF FINANCIAL POSITION FOR CTCL
AS AT 31 DECEMBER 2021

	2021 $	2020 $
Assets		
Cash at bank	1,912,045	1,458,333
Cash at bank - dividend	292,492	136,063
Cash at bank - IMP	1,671,519	1,054,900
Cash at bank - RF	72,276	72,336
Cash on hand	400	400
Rent deposit	1,850	1,850
Receivable from Hide-A-Way Resort	9,989,478	9,601,715
Loans to members	37,239,958	38,256,265
Receivable from CTCL Properties	17,039,743	15,119,259
Vodafone M-Paisa imprest (Business)	200,000	201,500
Digicel imprest	50,000	-
Property, plant and equipment	35,767	34,557
Right-of-use assets	134,560	155,319
Intangible assets	44,999	61,060
Financial assets	538,460	1,025,849
Total assets	69,223,547	67,179,406
Liabilities		
Trade and other payables	63,867	53,730
Payable to CTCL Properties	3,574,297	3,574,297
Lease liabilities	146,612	164,763
Provision for unclaimed dividend	297,827	139,836
Provision for employee entitlements	27,749	35,367
Deferred income	2,980,644	2,876,448
Total liabilities	7,090,996	6,844,441
Net assets	62,132,551	60,334,965
Members' funds and reserves		
Members contribution	48,374,943	46,815,629
Member Hide-A-Way shares	10,455,207	10,968,494
Reserve fund	3,432,259	3,432,259
Retained earnings	(129,858)	(881,417)
Total members' funds and reserves	62,132,551	60,334,965

This Statement of Financial Position is to be read in conjunction with the disclaimer set out on page 44.

FIJI TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED
STATEMENT OF FINANCIAL PERFORMANCE FOR CTCL - PROPERTIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 $	2020 $
Income		
Bank interest	1,878	666
Rental income	310,029	286,124
Rental bonds recovered	-	15,005
Sundry income	-	11,439
	311,907	313,234
Expenses		
Advertising	222	696
Amortisation	1,044	861
Annual leave	-	(770)
Bank charges	466	458
Business licenses	508	-
Chemicals	43	379
City rate	10,951	8,444
Commission	2,925	5,350
Depreciation	8,431	7,042
Electricity	12,424	9,255
Fiji National Provident Fund employer contribution	2,984	2,119
General expenses	413	824
Insurance	24,994	34,038
Interest on loan- external	1,175,259	1,154,462
Interest on loan- tower	282,138	276,551
Legal fee	-	1,619
Pest control	2,300	4,270
Pool maintenance	1,303	1,195
Rent refund	3,930	-
Repairs and maintenance- building	10,067	12,049
Repairs and maintenance- equipment	3,115	1,955
Repairs and maintenance- lift	-	10,357
Salaries and wages	24,841	26,052
Stamp duty	-	3,020
Telephone	509	180
Valuation fees	5,276	-
Water	2,719	1,767
	1,576,862	1,562,173
Net loss from operations	(1,264,955)	(1,248,939)
Change in fair value of investment properties	-	-
Net loss before income tax	(1,264,955)	(1,248,939)
Income tax benefit	-	679,883
Net loss	(1,264,955)	(569,056)

This Statement of Financial Performance is to be read in conjunction with the disclaimer set out on page 44.

FIJI TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED
STATEMENT OF FINANCIAL POSITION FOR CTCL - PROPERTIES
AS AT 31 DECEMBER 2021

	2021 $	2020 $
Assets		
Cash at bank	88,594	49,162
Cash at bank - dividend	64,449	66,065
Cash at bank - Hide-A-Way reserve fund	(6)	(6)
Receivable from Hide-A-Way Resort	8,270,944	7,270,941
Cash on hand	100	100
Other receivables	46,452	26,902
Other receivable from CTCL	3,574,300	3,574,300
Investment property	18,905,000	18,905,000
Investment in subsidiary	13,878,119	13,878,119
Intangible asset	3,502	2,978
Property, plant and equipment	62,354	54,492
Total assets	44,893,808	43,828,053
Liabilities		
Trade and other payables	188,665	185,042
Interest bearing borrowings- external	16,550,121	16,294,883
Interest bearing borrowings- Rewa	1,424,495	1,340,944
Interest bearing borrowings- Tower	3,370,877	3,309,790
Payable to CTCL	17,039,743	15,119,259
Rent deposit	37,486	30,486
Provision for dividend	144,830	145,103
Deferred tax liability	1,209,494	1,209,494
Total liabilities	39,965,711	37,635,001
Net assets	4,928,097	6,193,052
Shareholders equity		
Retained earnings	4,928,097	6,193,052
Total accumulated funds	4,928,097	6,193,052

This Statement of Financial Position is to be read in conjunction with the disclaimer set out on page 44.

DEFAULTERS AS AT 31ST MARCH, 2022					
TPF	Name	Amount	Date	T/L	Status
4367	Vijay Kumar	$ 3,106.10	1990/JAN	F/L	MIGRATED
5083	Suruj Deo	$ 4,292.32	2001/JAN	F/L	CASE WITH SOLICITORS
5183	Jagjiwan Prasad	$ 2,997.83	1997/JUL	F/L	MIGRATED
5451	Inoke Sikivou	$ 4,874.60	1987/JUL	F/L	RESIGNED
5840	Sahidan Hussein	$ 431.71	1989/JAN	S/L	SIGATOKA PRIMARY
6353	Mohammed Habib	$ 1,064.60	1998/MAY	F/L	MIGRATED
6561	Mehar Nisha	$ 6,446.14	1988/FEB	F/L	MIGRATED
6663	Apakuki Divi	$ 395.64	2008/JUN	E/L	RETIRED
6797	Sheik Mohammed Ibrahim	$ 2,490.70	2010/AUG	F/L	CASE WITH SOLICITORS
6883	Premila D Singh	$ 471.75	1988/DEC	S/L	MIGRATED
7419	Veena Devi Lal	$ 847.66	2005/FEB	E/L	RESIGNED
8032	Elenoa Sikivou	$ 572.32	1987/JUL	F/L	MAHARAJ & ASSOCI-ATES
8628	Mohammed S Khan	$ 14,254.20	2014/May	F/L	CASE WITH SOLICITORS
8646	Unisi Oloi	$ 406.59	2013/JAN	F/L	RESIGNED
8650	Verenaisi Ole	$ 3,684.19	2006/JAN	F/L	MIGRATED: CASE WITH SOLICITORS
8843	Petero Delasau	$ 3,617.76	2011/JUN	F/L	CASE WITH SOLICITORS
9449	D K Narayan	$ 286.38	1987/OCT	S/L	L/BAY SEC SCHOOL
9769	Sant Kumar	$ 639.96	1988/JAN	F/L	CASE WITH SOLICITORS
9897	Anil Kumar	$ 563.58	1990/JAN	F/L	RABULU INDIAN
9919	Yashoda Reddy	$ 522.14	1989/APR	S/L	LAUTOKA MUSLIM
42077	Akhilesh Kumar	$ 517.32	1987/SEP	S/L	NADI MUSLIM
42081	Damodar Gounder	$ 476.77	1998/MAR	S/L	MIGRATED
42528	Krishna Naidu	$ 392.51	1987/JUN	S/L	MIGRATED
42868	Kamal K Singh	$ 933.10	1987/AUG	F/L	MIGRATED
43559	Rajendra S Prasad	$ 326.98	1989/FEN	S/L	MIGRATED
43603	S Singh	$ 679.56	1988/FEB	F/L	RESIGNED
43705	Sushil K Sukul	$ 444.68	1990/JAN	F/L	VOTUALEVU HIGH NADI
44038	Michael Koroi	$ 5,330.89	2008/MAR	F/L	RESIGNED
54203	A C Lal	$ 499.65	52000/FEB	Ins/pymt	MIGRATED
54456	Mukesh Lal	$ 697.16	2002/JUL	S/L	Migrated
54574	Sashi L Ben	$ 3,646.33	2012/FEB	Ins/pymt	Migrated
55064	Madan Sen	$ 339.73	1993/AUG	S/L	RESIGNED
55684	Narayan Gounder	$ 322.43	1993	S/L	NADI MUSLIM COLLEGE
55894	Marama Tara	$ 232.67	2018/OCT	F/L	RESIGNED : CASE WITH SMALL CLAIMS
56499	Ralisa N Ligairi	$ 179.96	2010/MAY	F/L	TERMINATED
56682	Isimeli Kacivi	$ 514.94	2016/June	CYCLONE/L	LWOP.CASE WITH SMALL CLAIMS TRIBU-NAL
57002	Nasiran Bibi	$ 1,405.45	2010/MAR	F/L	MIGRATED
57218	Sekove Waqa	$ 65.03	2009/MAR	E/L	RESIGNED

57845	Muthu Krishna	$ 249.01	2004/APR	F/L	RESIGNED
66114	Bob Nitin Prasad	$ 273.04	2007/AUG	S/L	MIGRATED
66281	Subhan Khan	$ 780.36	62005/AUG	S/L	RESIGNED
69080	Shalesh K Nand	$ 19.25	2010/JAN	S/L	RESIGNED
80015	Anareta Kaunilagi-lagi	$ 695.76	2010/JAN	E/L	STUDY LEAVE WITHOUT PAY
80275	Avinesh Prasad	$ 31.01	2010/AUG	E/L	RESIGNED
80429	Ana L Tuikewawa	$ 101.52	2019/ JULY	F/L	RESIGNED : CASE WITH SMALL CLAIMS
81169	Kemeuli Rabonu	$ 8,918.75	2014/Jan	F/L	RESIGNED
81897	Satish Sitaiya	$ 4,638.63	2011/JULY	F/L	TERMINATED
83358	Roy Colon Pickering	$ 140.75	2018/JAN	F/L	RESIGNED : CASE WITH SMALL CLAIMS
85378	Anaseini R Waqa-baca	$ 34.94	2015/Feb	S/L	Resigned
87875	Saleshme D Chand	$ 146.87	2018/JAN	F/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
G3374	Josateki T Vunisea	$ 74.17	2009/JUL	E/L	RESIGNED
G3603	Komal Keshni Prasad	$ 228.10	2009/JUN	F/L	MIGRATED
G3605	Ponipate Kabui	$ 442.06	2002/SEP	S/L	RESIGNED
G3867	Arun Padarath	$ 297.87	2009/JUL	S/L	RESIGNED
	Total	**$ 86,914.17**			

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

Financial Statements
For the year ended 31 December 2021

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

Contents

Hide-A-Way Resort Pte 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 Pte Limited t/a Fiji Hide-A-Way Resort & Spa ("the Company") as at 31 December 2021 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 are as follows:

- Muniappa Goundar - Chairman
- Arun Prasad
- Pranesh Kumar
- Vishnu Deo Sharma
- Gyan Prasad
- Ajeshni Nand
- Mustafa Khan
- Emanuel Hemant Kumar
- Sashi Mahendra Shandil
- Rajendra Vishnu Kumar
- Rohitesh Chand
- Ashween Chand Raj

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 2021 and the accompanying statement of profit or loss and other 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 loss for the year was $1,498,570 (2020: $2,560,931) after accounting for income expense of $Nil (2020: $Nil).

Dividends
It was recommended that no dividends be declared or proposed for the year (2020: $Nil).

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 at Fiji Hide-A-Way Resort & Spa in Sigatoka and Landers Bay Resort and Spa Vuda Lautoka in Vuda. However, effective from 15 December 2021, the Company handed over the operations of the resorts to Tour Managers (Fiji) Pte Limited under a management agreement (for details, refer Note 27).

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.

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
The spread of novel coronavirus (COVID-19) was declared a public health emergency by the World Health Organisation on 31 January 2020 and upgraded to a global pandemic on 11 March 2020. The rapid rise of the virus has seen an unprecedented global response by Governments, regulators and industry sectors. The Fiji Government enacted its emergency plan, which has seen the closure of Fiji borders from 20 March 2020, volatility in financial markets as the Fijian and global economies face significant slowdowns and uncertainties.

During the current year, the social and economic effects of COVID-19 continued as a result of emergence and spread of new variants, the roll-out of vaccines and the evaluation of local and global responses, including lockdowns and social restrictions and prudential industry and economic measures taken by the governments and regulators worldwide. Fiji opened its international borders on 1 December 2021, however, the average visitor arrivals has been below the pre-COVID levels since most of the countries still have international travel ban and as such, there is continued uncertainties arising from this.

In determining the appropriate basis of preparation of the financial statements, the Directors are required to consider whether the Company can continue in operational existence for the foreseeable future; that is for at least 12 months from the date of signing of these financial statements. The Company has a working capital deficiency of $2,909,390 (2020: $3,491,948) after deducting contract liabilities, shareholders deficiency of $2,137,297 (2020: $638,727), negative operating cash flow of $1,055,448 (2020: $692,273) and a net loss after tax of $1,498,570 (2020: $2,560,931).

The Directors remain focused on the Company's liquidity, and expect to manage business operations in the forecast period whilst maintaining adequate liquidity through:

- Fiji Teachers Union Co-operative Thrift and Credit Society Limited (parent entity) has provided financial support in prior years and will continue providing this support. To this effect, a letter of support has been obtained from the parent entity for a period of 12 months from the date of signing of the financial statements; and

- Effective from 15 December 2021, the management and operations of Hide-A-Way Resort (located at Coral Coast) was handed over to Tour Managers (Fiji) Pte Limited (management company). Furthermore, effective from 1 April 2022, the management and operations of Landers Bay Resort (located at Vuda) will be handed over to the management company. As a result of this, the Company's operational cashflows will significantly reduce and also provide a return to the Company (for further detail, refer Note 27).

Based on the above, the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis as the Directors anticipate that the Company will generate adequate funds to meet their liabilities as and when they fall due.

Notwithstanding the Directors consideration to prepare the accounts on a going concern basis, the circumstances described give rise to the existence of uncertainties that may cast significant doubt on the Company's ability to continue as a going concern.

The financial statements do not include any adjustment relating to the recoverability or re-classification of recorded amounts or the amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

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

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.

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 15 day of March 2022.

Signed in accordance with a resolution of the Directors.

Director

Director

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

In the opinion of the Directors of Hide-A-Way Resort Pte 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 2021;

(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 2021;

(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 2021;

(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 2021;

(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 15 day of March 2022.

Signed in accordance with a resolution of the Directors.

Director **Director**

Independence Declaration
For the year ended 31 December 2021
Auditors Independence Declaration under Section 395 of the Companies Act 2015

To the Directors of Hide-A-Way Resort Pte 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 2021 and up to the date of this report there have been:

i). no contraventions of the Auditor independence requirements as set out in the Companies Act 2015 in relation to the audit; and

ii). no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG.

KPMG

Sharvek.

Sharvek Naidu
Partner
Nadi, Fiji
15 March, 2022

KPMG

Independent Auditors; Report

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

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Hide-A-Way Resort Pte Limited t/a Fiji Hide-A-Way Resort & Spa ("the Company"), which comprise the statement of financial position as at 31 December 2021, 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 28.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Qualified Opinion

As described in Note 15 to the financial statements, the Company carries its property, plant and equipment at cost, less accumulated depreciation and impairment losses. Included within property, plant and equipment are buildings with a carrying amount of $17,460,208 of which carrying value of $11,903,895 relates to the Vuda property, trading as Landers Bay Resort and Spa Vuda Lautoka, as at 31 December 2021. We were unable to obtain sufficient appropriate audit evidence over the valuation of the Vuda property because management has not performed an impairment assessment of the property nor been able to obtain an independent valuation of the property despite an indication of impairment. Consequently, we were unable to determine whether any adjustments to this amount were necessary.

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 International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with, the Companies Act 2015 and 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 and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Independent Auditors; Report

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

Report on the Audit of the Financial Statements (continued)

Other Information

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the *Basis for Qualified Opinion* section above, we were unable to obtain sufficient appropriate evidence over the valuation of the Vuda property which comprises part of property, plant and equipment, and the related elements making up the statement of profit or loss and other comprehensive income for the year ended 31 December 2021. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS, 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.

Independent Auditors; Report

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

Report on the Audit of the Financial Statements (continued)

Auditors' Responsibilities for the Audit of the 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.

KPMG

Independent Auditors; Report

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

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:

i). 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

ii). 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.

KPMG.

KPMG

Sharvek Naidu
Partner
Nadi, Fiji
15 March, 2022

Hide-A-Way Resort Pte Limited t/a Fiji Hide-A-Way Resort & Spa
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2021

	Note	2021 $	2020 $
Revenue from contract with customers	5	31,436	1,618,660
Cost of sales	6	(14,399)	(762,688)
Gross profit		17,037	855,972
Other income	7	514,651	1,802
Administrative expenses	8 (a)	(424,806)	(1,093,688)
Marketing expenses	8 (b)	(2,225)	(80,001)
Other expenses	8 (c)	(1,198,648)	(2,159,700)
Finance expenses	8 (d)	(404,579)	(85,316)
Loss before income tax		(1,498,570)	(2,560,931)
Income tax expense	10 (a)	-	-
Loss for the year		(1,498,570)	(2,560,931)
Other comprehensive income, net of tax		-	-
Total comprehensive loss for the year		(1,498,570)	(2,560,931)

The notes on pages 14 to 39 are an integral part of these financial statements.

Hide-A-Way Resort Pte Limited t/a Fiji Hide-A-Way Resort & Spa
Statement of changes in equity
For the year ended 31 December 2021

	Issued capital $	Retained earnings / (Accumulated losses) $	Total $
Balance at 1 January 2020	667,163	1,255,041	1,922,204
Total comprehensive loss for the year			
Loss for the year	-	(2,560,931)	(2,560,931)
Total comprehensive loss for the year	-	(2,560,931)	(2,560,931)
Balance at 31 December 2020	667,163	(1,305,890)	(638,727)
Balance at 1 January 2021	667,163	(1,305,890)	(638,727)
Total comprehensive loss for the year			
Loss for the year	-	(1,498,570)	(1,498,570)
Total comprehensive loss for the year	-	(1,498,570)	(1,498,570)
Balance at 31 December 2021	667,163	(2,804,460)	(2,137,297)

The notes on pages 14 to 39 are an integral part of these financial statements.

Hide-A-Way Resort Pte Limited t/a Fiji Hide-A-Way Resort & Spa
Statement of financial position
As at 31 December 2021

	Note	2021	2020
Assets		$	$
Current assets			
Cash and cash equivalents	11	74,958	254,171
Trade receivables	12	-	58,224
Inventories	13	37,579	105,599
Other receivables and prepayments	14	93,924	78,762
Total current assets		206,461	496,756
Non-current assets			
Property, plant and equipment	15	18,970,425	19,734,930
Other receivables and prepayments	14	113,427	118,694
Right-of-use asset	20 (i)	1,018,590	1,073,930
Total non-current assets		20,102,442	20,927,554
Total assets		20,308,903	21,424,310
Liabilities			
Current liabilities			
Income tax payable	10 (c)	19,824	19,824
Contract liabilities	26	-	98,087
Trade and other payables	17	2,899,402	3,776,330
Employee benefits	18	164,932	164,932
Lease liability	20 (ii)	31,693	27,618
Total current liabilities		3,115,851	4,086,791
Non-current liabilities			
Amounts payable to shareholder	19	18,260,419	16,872,656
Lease liability	20 (ii)	1,069,930	1,103,590
Total non-current liabilities		19,330,349	17,976,246
Total liabilities		22,446,200	22,063,037
Net assets		(2,137,297)	(638,727)
Equity			
Share capital	16 (b)	667,163	667,163
Accumulated losses		(2,804,460)	(1,305,890)
Total shareholders deficiency		(2,137,297)	(638,727)

Signed in accordance with a resolution of the Board.

Director **Director**

The notes on pages 14 to 39 are an integral part of these financial statements.

Hide-A-Way Resort Pte Limited t/a Fiji Hide-A-Way Resort & Spa
Statement of cash flows
For the year ended 31 December 2021

	Note	2021 $	2020 $
Operating activities			
Cash receipts from customers		60,813	1,936,929
Cash paid to suppliers and employees		(1,061,275)	(2,438,833)
Payment of lease liability	20 (iii)	(54,986)	(190,369)
Net cash used in operating activities		(1,055,448)	(692,273)
Investing activities			
Acquisition of property, plant and equipment	15	(48,751)	(15,319)
Net cash used in investing activities		(48,751)	(15,319)
Financing activities			
Net advance from shareholders	21 (e)	1,000,000	1,210,000
Payment of lease liability	20 (iii)	(75,014)	(76,982)
Net cash from financing activities		924,986	1,133,018
Net (decrease) / increase in cash and cash equivalents		(179,213)	425,426
Cash and cash equivalents at 1 January		254,171	(171,255)
Cash and cash equivalents at 31 December	11	74,958	254,171

The notes on pages 14 to 39 are an integral part of these financial statements.

Hide-A-Way Resort Pte Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements
For the year ended 31 December 2021

1. Reporting entity

Hide-A-Way Resort Pte 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 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 at Fiji Hide-A-Way Resort & Spa in Sigatoka and Landers Bay Resort and Spa Vuda Lautoka in Vuda. However, effective from 15 December 2021, the Company handed over the operations of the resorts to Tour Managers (Fiji) Pte Limited under a management agreement (for details, refer Note 27).

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the Fiji Companies Act 2015.

The financial statements were authorised for issue by the Board of the Directors on 15 March, 2022.

(b) Basis of measurement

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

(c) Functional and presentation currency

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

(d) Going concern

The spread of novel coronavirus (COVID-19) was declared a public health emergency by the World Health Organisation on 31 January 2020 and upgraded to a global pandemic on 11 March 2020. The rapid rise of the virus has seen an unprecedented global response by Governments, regulators and industry sectors. The Fiji Government enacted its emergency plan, which has seen the closure of Fiji borders from 20 March 2020, volatility in financial markets as the Fijian and global economies face significant slowdowns and uncertainties.

During the current year, the social and economic effects of COVID-19 continued as a result of emergence and spread of new variants, the roll-out of vaccines and the evaluation of local and global responses, including lockdowns and social restrictions and prudential industry and economic measures taken by the governments and regulators worldwide. Fiji opened its international borders on 1 December 2021, however, the average visitor arrivals has been below the pre-COVID levels since most of the countries still have international travel ban and as such, there is continued uncertainties arising from this.

In determining the appropriate basis of preparation of the financial statements, the Directors are required to consider whether the Company can continue in operational existence for the foreseeable future; that is for at least 12 months from the date of signing of these financial statements. The Company has a working capital deficiency of $2,909,390 (2020: $3,491,948) after deducting contract liabilities, shareholders deficiency of $2,137,297 (2020: $638,727), negative operating cash flow of $1,055,448 (2020: $692,273) and a net loss after tax of $1,498,570 (2020: $2,560,931).

2. Basis of preparation (continued)

(d) Going concern (continued)

The Directors remain focused on the Company's liquidity, and expect to manage business operations in the forecast period whilst maintaining adequate liquidity through:

- Fiji Teachers Union Co-operative Thrift and Credit Society Limited (parent entity) has provided financial support in prior years and will continue providing this support. To this effect, a letter of support has been obtained from the parent entity for a period of 12 months from the date of signing of the financial statements; and

- Effective from 15 December 2021, the management and operations of Hide-A-Way Resort (located at Coral Coast) was handed over to Tour Managers (Fiji) Pte Limited (management company). Furthermore, effective from 1 April 2022, the management and operations of Landers Bay Resort (located at Vuda) will be handed over to the management company. As a result of this, the Company's operational cashflows will significantly reduce and also provide a return to the Company (for further detail, refer Note 27).

Based on the above, the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis as the Directors anticipate that the Company will generate adequate funds to meet their liabilities as and when they fall due.

Notwithstanding the Directors consideration to prepare the accounts on a going concern basis, the circumstances described give rise to the existence of uncertainties that may cast significant doubt on the Company's ability to continue as a going concern.

The financial statements do not include any adjustment relating to the recoverability or re-classification of recorded amounts or the amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

(e) Use of estimates and judgments

The preparation of the financial statements in conformity with IFRS 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 (g)(ii) - Impairment of property, plant and equipment
Note 3 (b) - Property, plant and equipment depreciation rates

3. Significant accounting policies

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

(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 the reporting date. The foreign currency gains or losses on translation are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency 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.

If a significant part 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.

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.

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

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefit embodied within the part will flow to the Company, and its cost can be measured reliably. The cost of the day-to-day servicing of property, plant and equipment is recognised in profit or loss as incurred.

Depreciation

Items of property, plant and equipment are depreciated from the date they are available for use.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight line basis over their estimated useful lives and is generally recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

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

Leasehold land	Term of lease
Plant and equipment	7% - 40%
Buildings	1.25% - 10%
Furniture and fittings	7% - 13%
Motor vehicles	20%

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

3. Significant accounting policies (continued)

(c) Financial instruments

(i) Recognition and measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and measurement

Financial assets

On initial recognition, a financial asset is classified as measured at amortised cost, FVOCI or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets recorded during the year and as at financial year end are measured at amortised cost. All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Company's management;

3. Significant accounting policies (continued)

(c) Financial instruments (continued)

(ii) Classification and measurement (continued)

Financial assets (continued)

Financial assets - Business model assessment (continued)

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets - Assessment whether contractual cashflows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

ln assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;

- terms that may adjust the contractual coupon rate, including variable rate features;

- prepayment and extension features; and

- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

3. Significant accounting policies (continued)

(c) Financial instruments (continued)

(ii) Classification and measurement (continued)

Financial liabilities - Classification, subsequent measurement and gains and losses
Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified at FVTPL if it is classified as held-for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities al FVTPL are measured at fair value and net gains and losses including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit and loss. Any gains or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition

Financial assets
The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities
The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting
Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Modifications of financial assets
If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.

3. Significant accounting policies (continued)

(c) Financial instruments (continued)

(v) Modifications of financial assets (continued)

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

(d) 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.

(e) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and cash at bank. 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.

(f) Inventories

Inventories include food, beverage, boutique, room and fuel. Inventories have been valued at the lower of cost and net realisable value. The cost of inventories is based on the weighted average principle and includes expenditure incurred in acquiring the inventories and bringing them to their present condition and location. Net realisable value is the estimated selling price in the ordinary course of business less selling costs.

(g) Impairment

(i) Non-derivative financial assets

The Company recognises loss allowances for ECLs on financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECL, except for cash at bank and debt security balances which are measured as 12-month ECL as credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

3. Significant accounting policies (continued)

(g) Impairment (continued)

(i) Non-derivative financial assets (continued)

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or

- the financial asset is more than 90 days past due.

The Company considers another receivable or cash balance to have low credit risk when its credit risk rating is equivalent to the globally understood definition of "investment grade". The Company considers this to be BBB- or a higher rating per S&P's.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flow due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;

- a breach of contract such as a default or being more than 90 days past due;

- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;

- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or

- the disappearance of an active market for a security because of financial difficulties.

3. Significant accounting policies (continued)

(g) Impairment (continued)

(i) Non-derivative financial assets (continued)

Presentation of allowance for ECL in the statement of financial position
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Trade and other receivables
A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Provision is raised on a specific debtor as well as on a collective basis. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that a specific debtor balance is impaired. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss. When a receivable is uncollectable, it is written off against the allowance for receivables. Subsequent recoveries of amounts previously written off are credited against profit or loss. The aging profile of trade receivables is disclosed in Note 4 (i) under credit risk.

(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 Company's exposure to non-financial assets impairment is limited to property, plant and equipment.

Property, plant and equipment
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. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

3. Significant accounting policies (continued)

(h) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

  - the Company has the right to operate the asset; or

  - the Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

For contracts entered into before, the Company determined whether the arrangement was or contained a lease

- fulfilment of the arrangement was dependent on the use of a specific asset or assets; and

- the arrangement had conveyed a right to use the asset. An arrangement conveyed the right to use the asset if one of the following was met;

  - the purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;

  - the purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output; or

  - facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.

3. Significant accounting policies (continued)

(h) Leases (continued)

As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date and plus any initial direct costs incurred.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; and
- lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company presents right-of-use assets and lease liabilities separately in the statement of financial position .

(i) Employee benefits

<u>Defined contribution plan / superannuation</u>

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.

3. Significant accounting policies (continued)

(i) Employee benefits (continued)

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.

(j) Amounts payable to shareholder
Amounts payable to shareholder are recognised at cost.

(k) 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 (VAT) and Environmental Climate Adaptation Levy (ECAL) returns, rebates and discounts.

Information about the nature and timing of the satisfaction of performance obligations in contracts with customers including significant payment terms and the related revenue recognition policies is as follows:

Accommodation
A customer books to stay at the resort for a specified number of room nights. Revenue from accommodation is recognised over time as the room nights are utilised by the customer. On check-out from the resort, accommodation charges are billed to travel agents if the customer has come through a travel agent. Invoices are payable within 30 days for travel agents. If a customer has directly booked at the resort, the accommodation charges will be settled by the customer on check-out from the resort. For customers that prepay, the amount received is recognised as contract liability and revenue is recognised as the Company satisfies the respective performance obligation for the service.

Food and beverage
A customer places an order for a food and beverage item at the resort. Customers obtain control of the food and beverage items when the order has been delivered to the customer. The order is charged to the customer's room for a customer residing at the resort which the customer will settle on checkout from the resort. Revenue from food and beverage is recognised when the order has been delivered to the customer.

Other hotel related services
Revenue from other hotel related services is recognised as the service is provided to the customer and is usually recognised at a point in time.

(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.

3. Significant accounting policies (continued)

(l) Income tax (continued)

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. 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. Financial risk management

Overview

The Company has exposure to the following risks:

(i) Credit risk;
(ii) Liquidity risk; and
(iii) Market risk.

This note presents information about the Company's exposure to each of the above risks and the Company's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

The Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

4. Financial risk management (continued)

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and cash at bank.

	Note	2021 $	2020 $
Cash at bank	11	74,458	243,171
Trade receivables	12	-	58,224
Other receivables (excluding prepayments)	14	207,351	118,694
		281,809	420,089

Cash and cash equivalents

The cash at bank is held with local financial institutions and maximum credit exposure is regularly reviewed by the Board.

Trade and other receivables

The Company has credit risk arising from credit exposure to customers, including outstanding receivables. The level of credit granted is regularly monitored. The Company has policies in place to ensure that sale of rooms to wholesalers are made to customers with an appropriate credit history.

Expected credit losses assessment for trade receivables

The Company uses an allowance matrix to measure ECLs of trade receivables from individual customers. Losses are calculated using a roll rate method based on the probability of a receivable progressing through successive stages of delinquency to write-off. The loss rates were calculated based on actual credit loss experience over the past two years. These rates were multiplied by scalar factors to reflect differences between economic conditions and the Company's view of economic conditions over the expected lives of the receivables. Scalar factors used are based on actual and forecasted visitor arrival growth in the country.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off.

Impairment losses (reversed) / recognised on financial assets recognised in profit or loss were as follows:

	2021 $	2020 $
(Reversal of) / impairment losses on trade receivables	(28,847)	34,114

The exposure to credit risk and ECLs for trade receivables from individual customers as at 31 December 2021 and 2020 is as follows:

31 December 2021

Trade receivable and loss allowance as at 31 December 2021 was $Nil.

4. Financial risk management (continued)

(i) Credit risk (continued)

Expected credit losses assessment for trade receivables (continued)

31 December 2020	**Weighted-average loss rate $**	**Gross carrying amount $**	**Loss allowance $**
1 to 30 days	Nil%	58,224	-
31 to 60 days	Nil%	-	-
61 to 90 days	Nil%	-	-
Over 90 days past due	100%	328,641	328,641
		386,865	328,641

Loss rates for performing trade receivables are based on actual credit loss experience over the past two years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Company's view of economic conditions over the expected lives of trade receivables. Scalar factors are based on actual and forecasted visitor arrival growth in the country.

Cash and cash equivalents
The Company held cash of $74,458 (2020: $243,171). Cash are held with banks which are rated B+ and AA-, based on S&P's ratings.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers its cash and cash equivalents have low credit risk based on external credit ratings of the counterparties.

(ii) Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company’s reputation.

The Company has also received a letter of support from its parent entity for a period of 12 months from the signing of the financial statements.

Hide-A-Way Resort Pte Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements (continued)
For the year ended 31 December 2021

4. Financial risk management (continued)

(ii) Liquidity risk (continued)

The following are the contractual maturities of financial liabilities:

31 December 2021	Carrying amount $	Contractual cash flow $	Less than 12 months $	More than 12 months $
Financial liabilities				
Trade and other payables	2,899,402	2,899,402	2,899,402	-
Lease liability	1,101,623	2,161,600	104,600	2,057,000
Amounts payable to shareholder	18,260,419	18,260,419	-	18,260,419
	22,261,444	23,321,421	3,004,002	20,317,419
31 December 2020				
Financial liabilities				
Trade and other payables	3,776,330	3,776,330	3,776,330	-
Lease liability	1,131,208	2,266,200	104,600	2,161,600
Amounts payable to shareholder	16,872,656	16,872,656	-	16,872,656
	20,648,986	22,915,186	3,880,930	19,034,256

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with a floating interest rate. The Company's policy is to limit it's exposure to the variability in cash flows associated with floating interest rate movements. The Company negotiates changes in interest rate where possible.

At reporting date the interest rate profile of the Company's interest bearing financial instruments was:

	2021 $	2020 $
Fixed rate instruments		
Amount payable to shareholders (Refer Note 21(d)(ii))	5,492,748	-

Capital management

Capital consists of share capital and retained earnings. The Board of Directors monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company's policy is to maintain a strong capital base so as to maintain creditor confidence to sustain future development of the business. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

4. Financial risk management (continued)

Capital management (continued)

There have been no material changes in the Company's management of capital during the year ended 31 December 2021.

	2021	2020
	$	$
5. Revenue from contract with customers		
Accommodation	20,381	838,139
Food	7,771	459,302
Beverage	3,284	228,136
Other operating income	-	93,083
	31,436	1,618,660

The following provides information about receivables and contract liabilities from contract with customers:

	2021	2020
	$	$
Trade receivables	-	58,224
Contract liabilities	-	98,087

	2021	2020
6. Cost of sales		
Opening stock	105,599	255,125
Purchases	10,369	382,034
Inventory write off	(68,020)	-
Closing stock	(37,579)	(105,599)
	10,369	531,560
Personnel expenses (Refer Note 9)	4,030	231,128
	14,399	762,688
7. Other income		
Laundry income	-	1,802
Reversal of impairment losses on trade receivables	28,847	-
Other income	485,804	-
	514,651	1,802

Hide-A-Way Resort Pte Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements (continued)
For the year ended 31 December 2021

		Note	2021	2020
8.	**Expenses**		**$**	**$**
(a)	**Administrative expenses**			
	Impairment losses on trade receivables		-	34,114
	Auditor's remuneration - audit fees		19,500	37,373
	Bank charges		29,854	43,602
	Commission		42	19,676
	Insurance		98,356	118,443
	Printing and stationery		1,429	18,272
	Professional fees		14,944	14,888
	Personnel expenses	9	260,681	807,320
			424,806	1,093,688
(b)	**Marketing expenses**			
	Advertising		2,225	80,001
(c)	**Other expenses**			
	Activities		3,433	34,277
	Computer support		3,634	15,078
	Depreciation - property, plant and equipment	15	813,256	858,046
	- right-of-use asset	20(i)	55,340	55,339
	Electricity		71,312	241,856
	Fuel and oil		6,086	37,264
	Gas		8,805	73,173
	General expenses		22,086	236,443
	Motor vehicle expenses		486	10,815
	Operating supplies		14,511	126,853
	Repairs and maintenance		109,084	112,269
	Security		-	30,870
	Staff transport		70	35,935
	Subscription		-	11,797
	TLTB lease rental		-	162,751
	Telephone and facsimile		-	45,262
	Inventory write off		68,020	-
	Other expenses		22,525	71,672
			1,198,648	2,159,700
(d)	**Finance costs**			
	Interest expense - related party	21(e)	329,565	-
	- external		-	8,334
	- lease liability	20(iii)	75,014	76,982
			404,579	85,316

Hide-A-Way Resort Pte Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements (continued)
For the year ended 31 December 2021

		2021 $	2020 $
9.	**Personnel expenses**		
	Wages and salaries	193,177	871,061
	Key management compensation - short term employment benefits	56,233	92,872
	Key management compensation - Fiji National Provident Fund	2,812	5,260
	Fiji National Provident Fund contributions	12,016	60,696
	FNU levy	473	7,141
	Staff training and welfare	-	1,418
		264,711	1,038,448
	Disclosed in the financial statements as follows:		
	Cost of sales	4,030	231,128
	Administrative expenses	260,681	807,320
		264,711	1,038,448

10. Income tax

		2021 $	2020 $
(a)	**Income tax expense recognised in profit or loss**		
	Current tax expense	-	-
	Deferred tax expense	-	-
	Income tax expense	-	-
	Reconciliation of effective tax rate		
	Loss before income tax	(1,498,570)	(2,560,931)
	Prima facie income tax expense at 20% (2020: 20%)	(299,714)	(512,186)
	Deferred tax not brought to account	(89,468)	28,076
	Tax effect of tax losses not brought to account	389,182	484,110
	Income tax expense	-	-

(b) Tax losses not recognised

Tax losses for which no deferred tax asset was recognised expire as follows:

	2021		2020	
31 December 2018 - confirmed	632,457	2022	632,457	2022
31 December 2019 - confirmed	1,668,195	2023	1,668,195	2023
31 December 2020 - unconfirmed	2,420,550	2028	2,420,550	2028
31 December 2021 - unconfirmed	1,945,909	2029	-	-

		2021 $	2020 $
(c)	**Income tax payable**		
	Balance at 1 January	(19,824)	(19,824)
	Current tax expense	-	-
	Payments made during the year	-	-
	Balance at 31 December	(19,824)	(19,824)

Hide-A-Way Resort Pte Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements (continued)
For the year ended 31 December 2021

	2021 $	2020 $
11. Cash and cash equivalents		
Cash on hand	500	11,000
Cash at bank	74,458	243,171
	74,958	254,171
12. Trade receivables		
Trade receivables - city ledger	-	24,110
Trade receivables - guest ledger	-	34,114
	-	58,224
13. Inventories		
Beverage	37,579	42,259
Food	-	6,514
Boutique	-	11,320
Fuel and oil	-	41,444
Other	-	4,062
	37,579	105,599

In 2021, inventories of $10,369 (2020: $531,560) were recognised as an expense during the year and included in 'cost of sales' (Refer Note 6).

In addition, inventories totalling $68,020 (2020: $nil) as a result of the written off during the year and this has been included in 'other expenses' (Refer Note 8(c)).

	2021 $	2020 $
14. Other receivables and prepayments		
Energy Fiji Limited bond	113,427	113,427
Other receivables	-	5,267
Prepayments	-	78,762
Receivable from Tour Managers (Fiji) Pte Limited	93,924	-
	207,351	197,456
Disclosed in the financial statements as follows:		
Current	93,924	78,762
Non-current	113,427	118,694
	207,351	197,456

Hide-A-Way Resort Pte Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements (continued)
For the year ended 31 December 2021

15. Property, plant and equipment	Leasehold Land $	Buildings $	Plant and equipment $	Motor vehicles $	Furniture and fittings $	Total $
Cost						
Balance at 1 January 2020	222,619	24,311,868	4,512,562	264,598	1,749,792	31,061,439
Acquisitions during the year	-	-	13,516	-	1,803	15,319
Balance at 31 December 2020	222,619	24,311,868	4,526,078	264,598	1,751,595	31,076,758
Acquisitions during the year	-	22,936	25,815	-	-	48,751
Balance at 31 December 2021	222,619	24,334,804	4,551,893	264,598	1,751,595	31,125,509
Depreciation and impairment						
Balance at 1 January 2020	141,445	6,068,450	3,133,486	117,319	1,023,082	10,483,782
Depreciation charge for the year	4,452	403,254	282,861	41,858	125,621	858,046
Balance at 31 December 2020	145,897	6,471,704	3,416,347	159,177	1,148,703	11,341,828
Depreciation charge for the year	4,452	402,892	250,772	41,858	113,282	813,256
Balance at 31 December 2021	150,349	6,874,596	3,667,119	201,035	1,261,985	12,155,084
Carrying amount						
At 31 December 2020	76,722	17,840,164	1,109,731	105,421	602,892	19,734,930
At 31 December 2021	72,270	17,460,208	884,774	63,563	489,610	18,970,425
The breakdown of the 2020 carrying amount by location is as follows:						
Coral Coast	76,722	5,601,564	1,068,772	105,421	193,497	7,045,976
Vuda	-	12,238,600	40,959	-	409,395	12,688,954
Total	76,722	17,840,164	1,109,731	105,421	602,892	19,734,930
The breakdown of the 2021 carrying amount by location is as follows:						
Coral Coast	72,270	5,556,313	849,083	63,563	133,822	6,675,051
Vuda	-	11,903,895	35,691	-	355,788	12,295,374
Total	72,270	17,460,208	884,774	63,563	489,610	18,970,425

Hide-A-Way Resort Pte Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements (continued)
For the year ended 31 December 2021

	2021	2020
16. Share capital and reserve	**$**	**$**
(a) Authorised capital		
750,000 ordinary shares	750,000	750,000

Shares of the Company have no par value.

(b) Issued capital		
583,319 ordinary shares	667,163	667,163
17. Trade and other payables		
Trade payables	1,301,933	1,795,912
Statutory taxes payable	1,355,818	1,724,221
Other payables and accruals	241,651	256,197
	2,899,402	3,776,330
18. Employee benefits		
Provision for annual leave		
Balance at 1 January	164,932	8,095
Net movement during the year	-	156,837
Balance at 31 December	164,932	164,932
19. Amounts payable to shareholder		
Fiji Teachers Union Co-operative Thrift and Credit Society Limited (For further details, refer Note 21 (d))	18,260,419	16,872,656
Disclosed in the financial statements as follows:		
Non-current	18,260,419	16,872,656
	18,260,419	16,872,656

20. Leases

The Company leases land for the resort operations. Information about leases for which the Company is a lessee is presented below:

	2021	2020
	$	**$**
(i) Right-of-use of assets		
Balance at I January	1,073,930	1,129,269
Depreciation charge for the year	(55,340)	(55,339)
Balance at 31 December	1,018,590	1,073,930
(ii) Lease liabilities		
Current	31,693	27,618
Non-current	1,069,930	1,103,590
	1,101,623	1,131,208

20. Leases (continued)

(iii) Lease payments

The undiscounted lease payment to be made after the reporting date is as follows:

	2021 $	2020 $
Less than one year	104,600	104,600
One to five years	418,400	418,400
More than five years	1,638,600	1,743,200
Total undiscounted liabilities at 31 December	2,161,600	2,266,200
Amounts recognised in profit or loss		
Interest on lease liabilities	75,014	76,982
Amounts recognised in statement of cash flows		
Total cash outflow for leases under operating activities	54,986	190,369
Total cash outflow for leases under financing activities	75,014	76,982

Land lease - Coral Coast

The Company leases land at Baravi, Nadroga for the operation of the resort. The lease for land is for a period of 60 years ending 25 July 2039. The lease does not have an option to renew. The lease payments are based on gross turnover of the resort or minimum fixed yearly payments to be paid half yearly in equal instalments each year. Lease payments are reassessed after certain number of years.

Land lease - Vuda

The Company leases land at Vuda for the operation of the resort. The lease for land is for a period of 99 years ending 30 June 2116. The lease does not have an option to renew. The lease payments are based on gross turnover of the resort or minimum fixed yearly payments to be paid half yearly in equal instalments each year. Lease payments are reassessed after certain number of years.

Land lease - Pipeline reserve

The Company leases land at Baravi Nadroga for the purpose of pipeline of the resort. The lease for land is for a period of 48 years ending 25 July 2039. The lease does not have an option to renew. The lease payments are fixed yearly payments to be paid half yearly in equal instalments each year.

Variable lease payments based on percentage of gross receipts turnover

Land leases also contain variable lease payment that is based on the percentage of gross receipts turnover. These payment terms are common for most of the land leases under iTLTB across resorts.

Fixed and variable rental payments for the year ended 31 December 2021 and 2020 is as follows:

	2021 $	2020 $
Fixed payments	104,600	104,600
Variable payments based on percentage of gross receipts turnover	-	162,751
	104,600	267,351

Hide-A-Way Resort Pte Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements (continued)
For the year ended 31 December 2021

21. Related parties

(a) Directors

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

- Muniappa Goundar - Chairman
- Arun Prasad
- Pranesh Kumar
- Vishnu Deo Sharma
- Gyan Prasad
- Ajeshni Nand
- Mustafa Khan
- Emanuel Hemant Kumar
- Sashi Mahendra Shandil
- Rajendra Vishnu Kumar
- Rohitesh Chand
- Ashween Chand Raj

(b) Parent entity

The parent 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 9.

	2021 $	2020 $
(d) Amounts payable to shareholder		
Fiji Teachers Union Co-operative Thrift and Credit Society Limited	18,260,419	16,872,656

(i) The advance from Fiji Teachers Union Co-operative Thrift and Credit Society Limited amounting to \$12,767,671 (2020: \$16,872,656) is interest free, unsecured and not repayable within the next 12 months (2020: interest free, unsecured and not repayable within the next 12 month).

(ii) The advance from Fiji Teachers Union Co-operative Thrift and Credit Society Limited amounting to \$5,492,748 (2020: \$Nil) is interest bearing interest at 6%, secured and not repayable within the next 12 months (2020: interest free, unsecured and not repayable within the next 12 month).

(e) Transaction with related parties

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

	2021 $	2020 $
Fiji Teachers Union Co-operative Thrift and Credit Society Limited		
Payments by the shareholder on behalf of the Company	58,197	-
Interest charged to the Company	329,565	-
Advances from the shareholder	1,000,000	1,210,000

22. Capital commitments

Capital commitments at year end amounted to $Nil (2020: $Nil).

23. Contingent liabilities

Bonds and guarantees

As at reporting date, contingent liabilities exist in respect of bank guarantees amounting to $Nil (2020: $59,680).

24. Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

25. Contract liabilities

Contract liabilities relates to advance consideration received from customers in advance for future accommodation and food and beverage services at the resort. This will be recognised as revenue when the services are rendered to customers which is expected to occur in the subsequent year.

	2021	**2020**
	$	**$**
Contract liabilities	-	98,087

26. Assets held as securities

The following securities have been provided in current and comparative period to Westpac Banking Corporation by the Company to secure bank loans of the parent, Fiji Teachers Union Co-operative Thrift and Credit Society Limited:

- First registered guaranteed mortgage over the Special Use Tourism property contained in Native Lease No. 15937, situated at Coral Coast, given by Hide-A-Way Resort Pte Limited;
- First registered guarantee mortgage given by Hide-A-Way Resort Pte Limited over Native Lease No. 4/2/2014, situated at Vuda and improvements thereon;
- Unlimited guarantee given by Hide-A-Way Resort Pte Limited; and
- First registered mortgage debenture by Hide-A-Way Resort Pte Limited over all assets and undertakings of the company including uncalled and unpaid premiums.

Hide-A-Way Resort Pte Limited t/a Fiji Hide-A-Way Resort & Spa
Notes to the financial statements (continued)
For the year ended 31 December 2021

27. Significant events during the year

On 11 July 2020, the Company signed a management agreement with Tour Managers (Fiji) Pte Limited (Tour Managers) whereby Tour Managers agreed to manage and operate the resorts effective from 31 July 2020. However, due to the spread of novel coronavirus (COVID-19) which resulted in the closure of Fiji borders from 20 March 2020, the commencement date was deferred until such time that Fiji's international border re-opened.

Fiji opened its international borders on 1 December 2021 and effective from 15 December 2021, Tour Managers assumed the management and operations of Hide-A-Way Resort (located at Coral Coast). Furthermore, effective from 1 April 2022, the management and operations of Landers Bay Resort (located at Vuda) will be handed over to Tour Managers. Under the terms of the management agreement, Tour Managers will record all the revenue, expenses and resulting operational assets and liabilities in their (Tour Managers) books post take over. In return, Tour Managers will provide a return to the Company (in the form of minimum guaranteed return) depending on the performance of the resorts and meeting certain key performance indicators.

In addition to the above, Tour Managers have agreed to reimburse the Company for certain costs and also set aside funds for maintenance and capital replacements at the resorts.

28. 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.

DIVIDEND PAYMENTS CURRENTLY PAYING 3% ON SAVINGS SHARES HELD

INTEREST RATE – 6% APPLICABLE TO ALL TYPES OF LOANS EXCEPT NEW HOUSING LOANS

ADDITIONAL SERVICES

GROUP MOTOR VEHICLE INSURANCE SCHEME

2.5% on all motor vehicles

Minimum value $10,000.00

PREPARATION OF SSA AND MORTGAGE

Requires

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

GROUP HOUSE/ CONTENT INSURANCE

PROPERTY

COVER	WOODEN
Basic	0.18%
Cyclone	0.1%

RECOGNISED FNPF LENDER FACILITIES FOR REAL ESTATE PURPOSES

Allows for

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

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

FIJI HIDEAWAY RESORT SHARE PURCHASE

Very lucrative investment opportunity with good returns & FIJI redeemable shares.

1. Maximum shares $5850.00.
2. Minimum shares $390.00 p.a.
3. Annual Dividends
4. Reservations contact: www.hideawayfiji.com

LOAN PROCESSING

MEMBERS APPLICATION RECEIVED → ENTITLEMENT VERIFIED → LOAN ELIGIBILITY ESTABLISHED → SECURITY REQUIREMENTS (IF ANY CONFIRMED) → LOAN PROCESSED BY STAFF → LOAN SANCTIONED BY THE BOARD → PAYMENT MADE

CONTACT US

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FIJI TEACHERS' UNION
CO-OPERATIVE THRIFT AND CREDIT LIMITED

TYPES OF LOAN

SOFT LOAN (T/C + $200)

FORMULA LOAN (T/C X 12)

TECH LOAN ($1500)

SPECIAL LOAN B (FTU - SUBS)

EMERGENCY LOAN (T/C ONLY)

SPECIAL LOAN (F/LOAN X2)

SIGNATURE LOAN ($1000.00) 12% INTEREST (Unsecured)

$125,000.00 CEILING PROVISION APPLIES TO ALL LOANS

ACCEPTABLE SECURITIES

MOTOR VEHICLE

70% ON THE BRAND NEW

60% ON THE MARKET VALUE
JAPANESE SECONDHAND
LOCAL SECONDHAND

REQUIREMENTS

SPECIFIC SECURITY AGREEMENT
COMPREHENSIVE INSURANCE
2 VALUATIONS BY APP/VALUER
CURRENT THIRD PARTY POLICY

REPAYMENT TIME

JAPANESE IMPORTED CARS
- 4 YEARS

GENUINE SECOND HAND
- 3 YEARS

BRAND NEW
- 5 YEARS

$10,000 OR LESS (MINIMUM $8000)
- 2 YEARS

REAL ESTATE

80% FREEHOLD LAND
60 % CROWN LAND
60% NATIVE LAND
60% HOUSING AUTHORITY (IN EXCESS OF 30 YEARS TENURE)

REQUIREMENTS

MORTGAGE
VALUATION OF PROPERTY
INSURANCE COVER
ENGINEERS CERTIFICATE

MEMBERS SURETY

MEMBER'S CONTRIBUTION

REQUIREMENTS

SURETY AMOUNT WITNESSED BY MEMBER

LIFE POLICY

CURRENT SURRENDER VALUE

REQUIREMENTS

ASSIGNMENT OF POLICY

REPAYMENT TIME

(SAME FOR ALL TYPES OF LOANS EXCEPT FOR MOTOR VEHICLES)

AMOUNT			TIME	NO OF PAYS
Up to	-	500	6 months	13 pays
501	-	1000	9 months	18 pays
1001	-	2000	12 months	26 pays
2001	-	3000	18 months	39 pays
3001	-	4500	24 months	52 pays
4501	-	6000	30 months	65 pays
6001	-	7500	36 months	78 pays
7501	-	9000	42 months	91 pays
9001	-	10500	48 months	104 pays
10501	-	12000	54 months	117 pays
12001	-	13500	60 months	130 pays
13501	-	15000	66 months	143 pays
15001	-	16500	72 months	156 pays
16501	-	18000	78 months	169 pays
18001	-	20000	84 months	182 pays
20001	-	22000	90 months	195 pays
22001	-	25000	96 months	208 pays
25001	-	30000	102 months	221 pays
30001	-	35000	108 months	234 pays
35001	-	40000	114 months	247 pays
40001	-	45000	120 months	260 pays
45001	-	50000	126 months	273 pays
50000	-	55000	132 months	286 pays
55001	-	60000	138 months	299 pays
60001	-	65000	144 months	312 pays
65001	-	70000	150 months	325 pays
70001	-	75000	180 months	390 pays
75001	-	80000	204 months	442 pays
80000	-	85000	240 months	520 pays
85000	-	90000	300 months	650 pays
90000	-	100000	336 months	728 pays
100000	-	120000	360months	780 pays
120000	-	130000	396months	858 pays
130000	-	150000	420months	910 pays

HOUSING LOAN

NEW HOUSING LOAN AS OF 01/01/2019 5.5% INTEREST

LOGIN : www.ftuctcl.com.fj

ENTER YOUR PIN TO ACCESS YOUR ACCOUNT DETAILS.

THANKS AND APPRECIATION

The Board expresses its sincere appreciation to the following for contributing towards the success of the 2021 operations:

- The Supervisory Committee
- The FTU-CTCL Staff
- The Fiji Teachers Union
- The Ministry of Education
- FTU-CTCL Co-coordinators
- FTU Branch Executives
- The Bankers - HFC
- The Auditors – Ernst & Young
- Director of Co-operatives
- Suppliers of Consumables and Services
- Sun Insurance
- Solicitors
    - : Neel Shivam & Associates
    - : Kohli & Singh Associates
    - : A. P. Legal
    - : Nilesh Lawyers
- Fiji National Provident Fund
- DATEC Fiji Limited
- Life Insurance Cooperation of India
- Colonial Insurance
- Fiji Hideaway Resort & Spa – Management and Staff
- Tour Managers

FIJI TEACHERS UNION CO-OPERATIVE THRIFT AND CREDIT LIMITED

Office Staff

CHANDAR DUTT
Chief Executive Officer (CEO)

SUNITA CHAND
Manager - Admin/ Finance

RAVNEEL RAVNESH KUMAR
Accountant

RICKY RONAL KUMAR
Assistant Accountant

AVINESH PRASAD
Loans Officer

AJESHNI LAL
Loans Clerk

SANGEETA NAIR
Senior Clerical Officer

RAJESHNI DEVI SINGH
Clerical Officer

DHRISHANT CHAND
Filing/ Mailing Clerk

LITIKA RATNAM
Clerical Officer - Lautoka

PRAVNEEL LAL
Clerical Officer - Labasa

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