



2015 ANNUAL REPORT

Table of Contents

Chairman's Report	3
Company Directory	4
Director's Report	5
Auditor's Independence Declaration to the Directors.....	7
Independent Auditors Report	8
Statement By Directors	12
Statement of Comprehensive Income	13
Statement of Changes in Equity	14
Statement of Finance Position	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 - 31

Message from Chairman

I extend my warmest greetings to you all. It is with honor and a sense of responsibility that:

Acknowledging the Historical Context: Please note that the current Board of Directors and Management team were not at the helm during the financial period under review. The financial statements provided in this report were prepared by PKF Aliz Pacific Ltd, our accountants, based on the source documents available at the time.

A Year Marked by Challenges: The year brought a set of challenges that tested the mettle of our organization. Despite these challenges, our commitment to transparency and accountability remained steadfast.

Audit Completion and Transparency: As of 12th August 2024, the audit for the fiscal year 2015 has been successfully completed. I regret to inform you that, as per the audit findings, Food Processors Fiji Limited incurred a Net Loss of (\$399,896) during that financial year. The auditors have issued their report based on the Basis for Disclaimer of Opinion, citing the significance of the matters described therein.

Honoring Our Legacy: It is imperative that we acknowledge and respect the rich legacy of Food Processors Fiji Limited—a legacy built on growth, dedication, and unwavering customer trust. We are committed to honoring this legacy while gleanable valuable lessons from our history to pave the way for a stronger and more resilient future.

Reaffirming Our Commitment: The current Board of Directors and Management team reaffirm our unwavering commitment to the core values that have defined our organization throughout its storied history. These values encompass quality, sustainability, innovation, and corporate responsibility.

Looking Ahead: While this report casts a retrospective glance, our collective vision remains steadfastly fixed on the horizon of the future. We are resolute in our pursuit of growth, sustainability, and innovation.

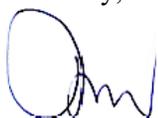
A Message of Gratitude: In conclusion, I extend my heartfelt gratitude to each of you, our esteemed shareholders, for your enduring trust and support. Your trust remains our most cherished asset.

Disclaimer: This Statement of Directors is signed by the Chairperson and the Directors of FPFL as of the date of signing as authorised by the Board on behalf of these position holders during the financial year 2015. The signature in no way is to be construed as the signatories assuming any responsibility or liability for the financial transactions for the financial reporting and audit period.

In the face of both challenges and opportunities, let us embrace the path forward with unwavering resolve. Together, we shall continue the enduring journey of Food Processors Fiji Limited, guided by the principles of excellence and unwavering integrity.

Thank you for your continued trust.

Sincerely,



[Raj Sharma] Chairman, Food Processors Fiji Limited

**FOOD PROCESSORS (FIJI) PTE LIMITED
COMPANY DIRECTORY
AS AT 31 DECEMBER 2015**

NATURE OF BUSINESS	:	Processing and canning of agro food products, value adding seafood and owners and administrators of properties and investments and farming operations.
REGISTERED OFFICE	:	Lot 68 - 70 Millet Rd Vatuwaqa Industrial Sub Division Suva, Fiji
DIRECTORS	:	Mr. Raj Sharma Mr. Nacanieli Sautuca Mr. Ilisoni Leweniqila Ms. Anna Morris Ms. Annabel Ducia Ms. Jemaima Lako
COMPANY SECRETARY	:	Naushad Ali
ACCOUNTANTS	:	PKF aliz pacific Chartered Accountants & Business Advisors Suva & Nadi
BUSINESS LOCATION	:	Lot 68 - 70 Millet Rd Vatuwaqa Industrial Sub Division Suva, Fiji

**FOOD PROCESSORS (FIJI) PTE LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

The Directors present their report together with the financial statements of Food Processors (Fiji) Pte Limited for the year ended 31 December 2015 and the auditor's report thereon.

Directors

The Directors of the Company in office during the financial year and up to the date of this report are:

- | | |
|---------------------------|----------------------|
| 1. Mr. Raj Sharma | 4. Ms. Anna Morris |
| 2. Mr. Nacanieli Sautuca | 5. Ms. Annabel Ducia |
| 3. Mr. Ilisoni Leweniqila | 6. Ms. Jemaima Lako |

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 2015 and the accompanying statement of comprehensive income, statement of changes in equity and statement of cash flows give a true and fair view of the results, changes in equity and cash flows of the Company for the year then ended.

Principal Activity

The principal activity of the Company during the course of the financial year was the operation of processing and canning of agro food products, value adding seafood and owners and administrators of properties and investments and farming operations. There were no significant changes in the nature of the activities of the Company during the financial year.

Trading Results	31 December 2015 \$FJ	31 December 2014 \$FJ
Net (Loss) from Operation	(399,896)	(294,684)
Income Tax (benefit)	-	-
(Loss) after Income Tax	<u>(399,896)</u>	<u>(294,684)</u>

Dividends

No dividends have been paid or declared since the commencement of the year and the Directors recommend that no dividend be declared.

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.

Bad and Doubtful Debts

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

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

Related Party Transactions

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

Reserves

The directors recommend that no amounts be transferred to or from reserves.

Other Circumstances

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

Unusual Circumstances

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

Events Subsequent to Balance Date

On 16 November 2009, the Cabinet approved the restructure of loan balances from the Government of Fiji to the company, waived accrued interest and suspended interest on the remaining outstanding Government loan balance, until the disposal of underutilized properties of the company, namely NATCO building and Savusavu property. On 21 October 2015, the board of directors noted the previous board's decision and approved the recording of Batiri's farm assets and liabilities in the financial statements of Food Processors (Fiji) Pte Limited from 2008 subject to legal opinion from Solicitor General's office. On 9 June 2017, the Ministry of Public Enterprise provided a written confirmation that Food Processors (Fiji) Pte Limited is the registered title holder and the current lessee of the land.

Furthermore, the Government of Fiji is in the process of divesting its shareholding in the company. At the date of this report, the process is yet to be completed. The company has refinanced its loan from BSP to Fiji Investment Corporation Limited (FICL). This was done to meet the outstanding debt/demand notice from BSP bank. Through Government approval, sale of property was initiated for NATCO building, Walubay and Savusavu industrial, Savusavu. This sale of property process is still on going. Upon sale, surplus funds after paying off FICL loan will be used to retain and reinvest in Food Processor's (Fiji) Pte Limited for capital investment purpose. The company is also viewing into conversion of government loan of \$1.9m into equity.

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

Dated at Suva this 30th day of July 2024.



Director



Director

OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits



Level 1, Modyl Plaza
Karsanji Street, Vatuwaqa
P. O. Box 2214, Government Buildings
Suva, Fiji

Telephone: (679) 8921519
E-mail: info@auditorgeneral.gov.fj
Website: www.oag.gov.fj



FOOD PROCESSORS (FIJI) PTE LIMITED

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF FOOD PROCESSORS (FIJI) PTE LIMITED

As auditor for the audit of Food Processors (Fiji) PTE Limited for the financial year 31 December 2015, I declare to the best of my knowledge and belief that there have been:

- (a) No contravention of the auditor independence requirements of the Companies Act, 2015 in relation to the audit; and
- (b) No contravention of any applicable code of conduct in relation to the audit.

This declaration is in respect to Food Processors (Fiji) PTE Limited during the year.

A handwritten signature in black ink, appearing to read 'F. Seru'.

Finau Seru Nagera
AUDITOR-GENERAL

OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits



Level 1, Modyl Plaza
Karsanji Street, Vatuwaqa
P. O. Box 2214, Government Buildings
Suva, Fiji

Telephone: (679) 8921519
E-mail: info@auditorgeneral.gov.fj
Website: www.oag.gov.fj



INDEPENDENT AUDITOR'S REPORT

Food Processors (Fiji) PTE Limited

Report on the Audit of the Financial Statements

Opinion

I have audited the accompanying financial statements of Food Processors (Fiji) PTE Limited ("the Company"), which comprise the Statement of Financial Position as at 31 December 2015, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes and Detailed Statement of Profit and Loss.

In my opinion, because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraphs, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statements.

Basis for Disclaimer of Opinion

1. The Company did not maintain proper accounting records relating to Trade and Other Receivables, Inventory, Trade and Other Payables, Property, Plant and Equipment, Current Tax Liability and Operating Income and Expenditure for the year ended 31 December 2014. Therefore, I am unable to satisfy myself concerning the opening balances disclosed in the Statement of Financial Position of the Company and the impact it may have on the determination of the closing balances of the 2015 financial statements.

Trade and Other Receivables

2. The Company recorded Trade Receivables (Note 11) balance of \$478,484 in the Statement of Financial Position as at 31 December 2015. While the Company was able to provide reconciliations, relevant supporting documents to verify the balances amounting to \$478,484 were not provided for my verification. In addition, the Company was not able to provide subsidiary listings for Other Receivables which included Prepayments and Value Added Tax (VAT) amounting to \$175,440 and \$69,073 respectively.

Consequently, I was not able to ascertain the existence and accuracy of the amount and whether any adjustments might be necessary in respect of the Trade and Other Receivables balances at the end of the financial year and any corresponding adjustments for the year ended 31 December 2015.

Basis for Disclaimer of Opinion (con't)

Inventory

3. The Company did not perform the annual stock take and was unable to provide me with sufficient appropriate audit evidence to verify the Inventory (Note 7) costing for Raw Materials and Finished Goods, which is valued at \$522,631. I was unable to satisfy myself by alternative audit procedures concerning the inventory quantities held as at 31 December 2015. Accordingly, I am unable to determine the impact of the above limitations, if any, to the inventory balances recorded in the financial statements as at 31 December 2015.

Property Plant and Equipment

4. The Company was not able to provide the appropriate documents to support Property, Plant and Equipment (Note 12), and Investment Property (Note 13) accounts amounting to \$1,954,255 and \$3,084,605 respectively. Due to the length in time that has lapsed from the financial year to the commencement of the audit, I was unable to perform physical verification tests as to the existence of Property, Plant and Equipment, Construction in Progress, Investment Property, and Intangible Assets. The Company did not perform a Board of Survey at the end of the financial year.

Consequently, I was not able to ascertain the completeness and accuracy of the amount and whether any adjustments might be necessary in respect of the addition, disposal, and accumulated depreciations at the end of the financial year and any corresponding adjustments to the elements making up the Statement of Comprehensive Income and Statement of Financial Position could not be determined for the year ended 31 December 2015.

Trade and other Payables

5. The Company recorded Trade and Other Payables (Note 14) balance of \$1,092,875 in the Statement of Financial Position as at 31 December 2015. While the Company was able to provide reconciliations, relevant supporting documents to verify the balance were not provided for my verification. Consequently, I was not able to ascertain the existence and accuracy of the amount and whether any adjustments might be necessary in respect of the Trade and Other Payables balances at the end of the financial year and any corresponding adjustments for the year ended 31 December 2015.

Current Tax Liability

6. The Company recorded Current Tax Liability (Note 10(ii)) balance of \$329,171 in the Statement of Financial Position as at 31 December 2015. The Company was unable to provide the appropriate reconciliation and supporting documents to verify the balances. Consequently, I was not able to ascertain the existence and accuracy of the amount and whether any adjustments might be necessary in respect of the tax liability balances at the end of the financial year and any corresponding adjustments for the year ended 31 December 2015.

Basis for Disclaimer of Opinion (con't)

Operating Income and Expenditure

7. The Company recorded Sales Revenue of \$2,886,841, Other Income of \$291,769, Cost of Sales of \$1,568,163, Total Expenses of \$1,333,939, Finance Costs of \$180,335 and Depreciation Expense of \$496,069 in the Statement of Comprehensive Income. The Company was unable to provide sufficient and appropriate supporting documents for a significant portion of these balances.

Consequently, I was not able to ascertain the completeness and accuracy of the balances and whether any adjustments might be necessary in respect of the balances at the end of the financial year and any corresponding adjustments to the elements making up the Statement of Comprehensive Income could not be determined for the year ended 31 December 2015.

I have conducted my audit in accordance with International Standards on Auditing (ISA). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the International Ethics Standards Board for Accountant's *Code of Ethics for Professional Accountants* (IESBA Code) together with the ethical requirements that are relevant to my audit of the financial statements in Fiji, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code.

Other information

The Directors and Management are responsible for the other information. The other information comprises the information included in the Directors' Report but does not include the financial statements and my auditors' report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work, I conclude that there is a material misstatement of this other information, I am required to report that fact. Accordingly, I am unable to conclude whether or not the other information is materially misstated with respect to matters described in the Basis for Disclaimer of Opinion.

Responsibilities of the Directors and those Charged with Governance for the Financial Statements

The Directors and Management are responsible for the preparation and fair representation of these financial statements in accordance with International Financial Reporting Standards (IFRS) and the Companies Act 2015. This responsibility includes designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making estimates that are reasonable in the circumstances.

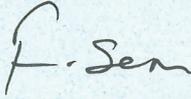
Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my opinion. However, because of the matters described in the Basis for Disclaimer of Opinion section of my report, I was unable to provide a basis for an audit opinion of these financial statements.

I provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

I 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 I identify during my audit.



Finau Seru Nagera
AUDITOR-GENERAL



Suva, Fiji
12 August 2024

FOOD PROCESSORS (FIJI) PTE LIMITED
STATEMENT BY DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2015

In accordance with a resolution and in the opinion of the Directors of FOOD PROCESSORS (FIJI) PTE LIMITED, we state that :-

- (a) the accompanying Statement of Comprehensive Income is drawn up so as to give a true and fair view of the results of the Company for the year ended 31 December 2015;
- (b) the accompanying Statement of Changes in Equity for the year ended 31 December 2015 is drawn up so as to give a true and fair view of the movement in shareholders funds;
- (c) the accompanying Statement of Financial Position is drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 December 2015;
- (d) the accompanying Statement of Cash Flows is drawn up so as to give a true and fair view of the cash flow of the Company for the year ended 31 December 2015;
- (e) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due;
- (f) all related party transactions have been adequately recorded in the books of the Company; and
- (g) The Financial Statements have been made out in accordance with Applicable Accounting Standards and the Companies Act, 2015.

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

Dated at Suva this 30th day of July 2024.



Director



Director

FOOD PROCESSORS (FIJI) PTE LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	31 December 2015 \$FJ	31 December 2014 \$FJ
Revenue		2,886,841	2,524,262
Cost of Sales	4	1,568,163	1,688,091
Gross Profit		1,318,678	836,171
Other Income	3	291,769	413,223
Total Income		1,610,447	1,249,394
Administrative Expenses	5	16,977	20,382
Other Operating Expenses	6	1,316,962	1,184,378
Net Profit from Operations		276,509	44,634
Finance Costs		180,335	161,993
Depreciation Expense		496,069	177,324
Operating (Loss) Before Income Tax		(399,896)	(294,684)
Income Tax (Benefit)	10 (i)	-	-
Net (Loss) after Income Tax		(399,896)	(294,684)
Total Comprehensive Loss for the year		(399,896)	(294,684)

The Statement of Comprehensive Income is to be read in conjunction with the Applicable Accounting Policies and Notes to the Financial Statements set out on pages 14 to 27.

FOOD PROCESSORS (FIJI) PTE LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Share Capital \$FJ	Reserves \$FJ	Share Deposit \$FJ	Accumulated Losses \$FJ	Total \$FJ
Balance as at 31 December 2013	687,679	253,794	1,000,000	(709,622)	1,231,851
Total comprehensive income for the year					
Net (Loss) after tax for the year ended 31 December 2014	-	-	-	(294,684)	(294,684)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Prior Years Adjustment	-	-	-	(86,362)	(86,362)
Total comprehensive income for the year			-	(1,090,668)	(1,090,668)
Balance as at 31 December 2014	687,679	253,794	1,000,000	(1,090,668)	850,806
Total comprehensive income for the year					
Net (Loss) after tax for the year ended 31 December 2015	-	-	-	(399,896)	(399,896)
Other Comprehensive Income for the year, net of tax	-	-	-	-	-
Prior Years Adjustment	-	-	-	-	-
Total Comprehensive Loss for the year	-	-	-	(399,896)	(399,896)
Balance as at 31 December 2015	687,679	253,794	1,000,000	(1,490,563)	450,911

The Statement of Changes in Equity is to be read in conjunction with the Applicable Accounting Policies and Notes to the Financial Statements set out on pages 14 to 27.

FOOD PROCESSORS (FIJI) PTE LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Notes	31 December 2015 \$FJ	31 December 2014 \$FJ
Current Asset			
Cash and Cash Equivalents	8	10,799	10,908
Inventories	7	522,631	519,989
Trade and Other Receivables	11	725,697	704,608
Total Current Assets		1,259,127	1,235,505
Non Current Asset			
Property, Plant and Equipment	12	1,954,255	2,449,151
Investment Property	13	3,084,605	3,084,605
Total Non-Assets		5,038,860	5,533,756
Total Assets		6,297,987	6,769,261
Current Liabilities			
Trade and Other Payables	14	1,092,875	1,410,587
Current Tax Liabilities	10 (ii)	329,171	329,171
Interest Bearing Borrowings	17 (i - vii)	15,947	18,159
Bank Overdraft	16	161,789	555,882
Employee Entitlement	15	4,358	-
Total Current Liabilities		1,604,140	2,313,799
Non Current Liabilities			
Interest Bearing Borrowings	17 (i - vii)	2,342,938	1,704,658
Non Interest Bearing Borrowings	18	1,900,000	1,900,000
Total Liabilities		5,847,078	5,918,457
Net Assets		450,910	850,806
Shareholders Equity			
Share Capital	19	687,679	687,679
Share Deposit		1,000,000	1,000,000
Asset Revaluation Reserves		253,794	253,794
Accumulated Losses		(1,490,563)	(1,090,668)
Total Shareholders Equity		450,910	850,806

These Financial Statements have not been audited

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



Director



Director

The Statement of Financial Position is to be read in conjunction with the Applicable Accounting Policies and Notes to the Financial Statements set out on pages 14 to 27.

FOOD PROCESSORS (FIJI) PTE LIMITED
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	31 December 2015 \$FJ	31 December 2014 \$FJ
Cash Flows from Operating Activities			
Receipts from Customers		3,178,611	3,357,995
Payments to Suppliers and Employees		(3,239,187)	(3,003,960)
Interest Paid		(180,335)	(161,994)
Net Cash (Used in)/Provided by Operating Activities	9 (ii)	<u>(240,911)</u>	<u>192,041</u>
Cash Flows from Investing Activities			
(Acquisition) of Property, Plant & Equipment		(1,173)	(60,036)
Net Cash (Used in) Investing Activities		<u>(1,173)</u>	<u>(60,036)</u>
Cash Flows from Financing Activities			
Proceeds to/(Repayments by) Interest Bearing Borrowings		636,068	(99,913)
Net Cash Provided by/(Used in) Financing Activities		<u>636,068</u>	<u>(99,913)</u>
Net Increase in Cash held		393,984	32,092
Cash Balance at Beginning of the Year		(544,974)	(577,066)
Cash and Cash Equivalent at End of the Year	9 (i)	<u><u>(150,990)</u></u>	<u><u>(544,974)</u></u>

The Statement of Cash Flows is to be read in conjunction with the Applicable Accounting Policies and Notes to the Financial Statements set out on pages 14 to 27.

1. General Information

The principal activities of the Company during the year were that of processing and canning of agro food products, value adding seafood and owners and administrators of properties and investments and farming operations. The Company is a limited liability Company incorporated and domiciled in Fiji islands. The address of its registered office is and principal place of business is located at Lot 68 - 70, Millet Road, Vatuwaqa, Suva, Fiji.

2. Summary of Significant Accounting Policies

The financial statement of the company have been prepared in accordance with International Financial Reporting Standards (IFRS).

a) Basis of Presentation

The financial statements have been prepared under the historical cost basis, except for Property, Plant and Equipment and Investment property that have been measured at fair value.

In the application of IFRS, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actuals results may differ from these estimates.

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

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

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

b) Changes in Accounting Policies

The company re-assessed its accounting for Property, Plant and Equipment and investment property with respect to measurement of certain classes of Property, Plant and Equipment and investment property after initial recognition. The company had previously measured all Property, Plant and Equipment and investment property using the cost model whereby after initial recognition of the asset it was carried at cost less accumulated depreciation and accumulated impairment losses.

The company elected to change the method of accounting for Property, Plant and Equipment and investment property since the Company believes that revaluation model more effectively demonstrates the financial position of Property, Plant and Equipment and investment property.

After initial recognition that company uses the revaluation model whereby Property, Plant and Equipment and investment property will be measured at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The company adopt this method in 2008.

However in 2009, tax effect for accounting was removed and the prima facie accounting was re-instated. Apart from this change been no other changes and they have been applied on a consistent basis with those of the previous period.

c) Functional and presentation currency

The Financial statements are presented in Fiji Dollars, which is the Company's functional currency, rounded to the

All foreign currency transactions during the financial year are bought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Non monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Exchange differences are recognised in the statement of comprehensive income in the period in which they arise.

2. Summary of Significant Accounting Policies (Continued)

d) Finance cost

Finance cost comprise interest expense on bank loans and borrowings. Borrowing cost are recognised in the profit and loss using the effective interest method.

Unrealised exchange gains or losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in net gain or loss position.

Standards Issued but not Effective

The standards and interpretations that are issued, but not applicable up to issuance of the company's financial statements disclosed below. The company has adopted these standards at a group level.

<u>Reference</u>	<u>Title</u>
IFRS 9	Financial Instruments
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases

Standard Issued and Applicable

IFRS 15	Revenue from Contracts with Customers from 1 January 2018
---------	---

e) Cash and Cash Equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents comprise of cash on hand, cash at bank and bank overdraft. Bank overdraft that is repayable on demand and form part of the Company's cash management is included in current liabilities within the statement of financial position.

f) Inventories

Inventories are stated at a lower of cost and estimated selling price less cost to complete and sell. Cost is determined using first-in first-out (FIFO) method.

g) Property, Plant & Equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Depreciation on the other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method on the basis of maximum rates allowed by Fiji Revenue and Customs Services.

Leasehold land and building and plant and equipment are stated at fair value less any subsequent accumulated depreciation and subsequent impairment losses. Revaluation are performed by external independent valuers with sufficient regularity that the carrying amounts do not differ materially from those that would be determined using fair value at the end of each reporting year.

	Rates
Leasehold land and buildings	Term of Lease
Furniture & Fittings	12.5% - 25%
Equipment	12.5% - 25%
Motor Vehicles	25%

2. Summary of Significant Accounting Policies (Continued)

h) Leased Assets

Assets acquired under finance leases are included as Property, Plant and Equipment in the statement of financial positions. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased property. Where assets are acquired by means of finance leases, the present value of the minimum lease repayments is recognised as an asset at the beginning of the lease term and amortised on a straight line basis over the expected useful life of the leased assets. A corresponding liability is also established and each lease payment is allocated between the liability and interest expense.

Other leases under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Operating lease payments are charged to expense in the periods in which they are incurred.

Company as lessor, rental income from operation leases is recognised on a straight line basis over the term of the relevant lease.

i) Investment Properties

Investment properties principally comprising freehold land and buildings are held to earn rentals and/or for capital appreciation, are measured initially at cost including transactions costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance date. Gains or losses arising from changes in the fair value of investment properties are included in profit and loss in the year in which they arise. Rental income from investment properties are accounted for.

Investment properties are derecognised when either they have been disposed or when they have been disposed or when the investment properties are permanently withdrawn from use and no future economic benefits are expected from their disposal. Any gain or losses on the retirement or disposal of investment properties are taken into consideration in determining the results for the year.

j) Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation and a reliable estimates can be made of the amount of the obligation.

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

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

k) Deferred Capital Grant

The cost of assets funded by government by way of grant has been capitalized to plant and equipment and the corresponding credit has been taken up as deferred income. The benefit arising from the grant, being the recoupment through depreciation, is credited to revenue over the period of the useful lives of those assets. Other grants are amortised to income in proportion to the expenditure subject to the grant.

l) Trade and Other Payables

Trade and other payables are measured initially and subsequently at cost. Trade and other payables are recognised when there is a contractual obligation to deliver cash or other financial assets to another party.

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

2. Summary of Significant Accounting Policies (Continued)

m) Share Capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of direct cost of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

n) Revenue Recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the group's activities. Revenue is shown net of value added tax, returns, rebates and discounts.

o) Loans and borrowings

Interest bearing borrowings are recognised initially at cost, less attributable transactions costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

This is disclosed in the financial statements as current and non-current liabilities.

p) Value Added Tax (VAT)

Revenue, expenses and assets are recognised net of the amount of respective VAT except:-

- where the value added tax incurred on the purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables that are stated with the amount of value added tax included and payables that are stated with the amount of value added tax included.

The net amount of valued added tax recoverable or payable to the tax authority is included as part of the receivables or payables in the Statement of Financial Position.

q) Income Tax

The tax expense for the year comprises current and deferred tax. Tax is recognized in profit or loss, except also that a change attributable to an item of income or expense recognized as other comprehensive income is recognized directly in the Statement of Comprehensive Income. The current income tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in Fiji by Fiji Revenue and Customs Services where the Company operates and generates taxable income.

Deferred tax asset is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amounts equals the highest amount that is more than not to be recovered based on current or future taxable profit.

r) Employee Benefit

All employees who are Fiji Citizens belong to the Fiji National Provident Fund, an independent statutory administered fund. The Company has no liability for the current or past service pension. Annual leave is expensed at the time it is paid to the employee. Liabilities for annual leave are recognised and measured as the amount unpaid at the reporting date at current pay rates.

s) Impairment

The carrying amounts of the Company's assets, other than inventories and deferred tax, are reviewed at each statement of financial position date, to determine whether, there is an indication of impairment. If any such indication exists, the assets recoverable amounts are estimated. An impairment loss is recognised whenever the carrying amount of the assets or its cash generating amount exceeds its recoverable amount. All impairment losses are recognised in profit or loss.

FOOD PROCESSORS (FIJI) PTE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

2. Summary of Significant Accounting Policies

t) Deferred Tax Assets

Deferred tax assets are recognised for all deductible temporary differences to the extent that profit will be available against which the deductible temporary difference can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely level of future taxable profits together with future planning strategies.

3. Other Operating Income	31 December 2015 \$FJ	31 December 2014 \$FJ
Amortisation of deferred Income	-	166,250
Rental Income	100,780	218,806
Other Income	-	27,070
Profit on sale of Fixed Assets	-	21,739
Grant Income - FNPF	190,989	-
Loss on Sale of Fixed Asset	-	(20,643)
	291,769	413,223
	291,769	413,223
4. Cost of Sales	31 December 2015 \$FJ	31 December 2014 \$FJ
Opening Inventory	519,989	434,444
Purchases	1,308,906	1,566,187
Freight	117,293	121,559
Hire & Delivery	78,529	85,890
Packaging	66,077	-
	2,090,794	2,208,080
Less: Closing Inventory	(522,631)	(519,989)
	1,568,163	1,688,091
	1,568,163	1,688,091
5. Administrative Expenses	31 December 2015 \$FJ	31 December 2014 \$FJ
Accounting Fees	7,593	10,500
Audit Fees	1,768	-
Bank Charges	7,616	9,882
	16,977	20,382
	16,977	20,382
6. Other Operating Expenses	31 December 2015 \$FJ	31 December 2014 \$FJ
Advertising and Promotion	20,653	8,422
Bad Debts Written Off	370,522	-
Cleaning Expense	9,707	3,270
Consultancy Fees	-	5,586
Directors' Fees	7,635	13,883
Donation	317	-
FNU Levy	2,674	9,856
Fringe Benefit Tax	2,628	2,628

FOOD PROCESSORS (FIJI) PTE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

6. Other Operating Expenses (Continued)	31 December 2015 \$FJ	31 December 2014 \$FJ
General Expense	-	11,234
Insurance	1,196	15,557
IT Expenses	11,925	-
Land Lease	-	3,470
Legal Fees	5,420	4,232
Licencing & Subs	28,849	10,807
Medical Expenses	3,176	-
Motor Vehicle Expenses	62,467	-
Other Expenses	-	5,421
Penalties	-	91,644
Printing and Stationery	7,047	19,162
Repairs and Maintenance	33,986	70,176
Rent	-	19,641
Security Expenses	1,378	-
Sales and Marketing	-	20,472
Staff Amenities and Training	1,737	115
Staff Expenses	3,118	-
Superannuation	147,980	52,514
Telephone, Fax and Internet	28,025	40,255
Travel & Accommodations	5,974	6,401
Union Fees	2,500	-
Utilities	96,167	96,646
Wages & Salaries	461,882	672,986
	1,316,962	1,184,378
	31 December 2015 \$FJ	31 December 2014 \$FJ
7. Inventories	522,631	519,989
	31 December 2015 \$FJ	31 December 2014 \$FJ
Agro Food Products	522,631	519,989
	31 December 2015 \$FJ	31 December 2014 \$FJ
8. Cash & Cash Equivalents	10,799	10,908
	31 December 2015 \$FJ	31 December 2014 \$FJ
ANZ - 9859214	17	17
ANZ - 10407593	-	109
Petty Cash	500	500
Short Term Deposit	10,282	10,282
	10,799	10,908
	31 December 2015 \$FJ	31 December 2014 \$FJ
9. Reconciliation of Cash to the Statement of Cash Flow	(150,990)	(544,974)
	31 December 2015 \$FJ	31 December 2014 \$FJ
(i) Cash as at the end of the financial year as showing in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
ANZ - 10407593	(17,544)	109
ANZ - 9859214	17	17
BSP - 8678295	-	(442,623)
BSP - 8678217	(144,245)	(113,259)
Petty Cash	500	500
Short Term Deposit	10,282	10,282
	(150,990)	(544,974)

FOOD PROCESSORS (FIJI) PTE LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2015

9. Reconciliation of Cash to the Statement of Cash Flow

(ii) Reconciliation of Operating (Loss) after tax to cash (used in)/provided by operating activities:-	31 December 2015 \$FJ	31 December 2014 \$FJ
Net Operating (Loss) After Tax	(399,896)	(294,684)
Add Non Cash Items:-		
Depreciation	496,069	177,324
	96,174	(117,360)

Changes in Assets and Liabilities during the financial year:-

(Increase)/Decrease in Trade and Other Receivables	(21,089)	499,239
(Increase) in Inventories	(2,642)	(85,545)
(Decrease) in Trade and Other Payables	(317,712)	(104,294)
Increase in Employee Entitlement	4,358	-

Net Cash (Used in)/Provided by Operating Activities	(240,911)	192,041
--	------------------	----------------

10. Income Tax

(i) Recognised in (Loss)

(i) Recognised in (Loss)	31 December 2015 \$FJ	31 December 2014 \$FJ
Net Operating (Loss) before income tax	(399,896)	(294,684)
<i>Add: Non- Deductible Expense:</i>		
- Superannuation 50%	73,990	26,257
- Donation	317	-
- Fringe Benefit Tax	2,628	2,628
Chargeable Income	(322,960)	(265,799)
Prima facie income tax expense calculated at 20% on the operating profit (2018: 20%)	(64,592)	(53,160)
Losses Forfeit	64,592	53,160
Income Tax Expense	-	-

The income tax benefit has not been brought to account due to the company having foreseeable future losses and there were no income tax expenses as there were consecutive losses from 2013.

(ii) Income Tax Payable

(ii) Income Tax Payable	31 December 2015 \$FJ	31 December 2014 \$FJ
Balance at the beginning of the year	329,171	(3,221)
Current tax expense - current year	-	-
Movement in deferred tax liability/asset	-	332,392
Income Tax Payable	329,171	329,171

FOOD PROCESSORS (FIJI) PTE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

11. Trade and Other Receivables	31 December 2015 \$FJ	31 December 2014 \$FJ
Trade Debtors	953,042	977,008
Less: Allowance for Doubtful Debts	(474,558)	(474,558)
	478,484	502,450
VAT Receivable	69,073	28,088
Staff and Other Advances	2,700	-
Prepayment	175,440	174,070
	725,697	704,608
12.(i) Property, Plant & Equipment	31 December 2015 \$FJ	31 December 2014 \$FJ
Land & Building	2,142,398	2,142,398
Renovations	11,494	11,494
Less: Provision for Depreciation	(597,971)	(220,464)
	1,555,921	1,933,428
Plant & Equipment	898,122	898,122
Less: Provision for Depreciation	(407,394)	(291,153)
	490,728	606,968
Furniture, Fittings & Equipment	109,652	109,652
Additions	1,173	-
Less: Provision for Depreciation	(104,654)	(102,333)
	6,171	7,319
Motor Vehicle at Cost	(41,075)	124,842
Readjustment of Cost	-	(16,786)
Disposal	-	(149,131)
Less: Provision for Depreciation	(57,489)	(57,489)
	(98,564)	(98,564)
Net Written Down Value	1,954,255	2,449,151

Property, Plant & Equipment (Continued)

An independent Valuation was carried out by Northern Property Valuation and Consultants of the company's Savusavu Property and Batiri Properties to assess their fair value in 2012. The Savusavu Property had been valued at \$112,000 based on market value on 26 June 2012 and Batiri Farm had been valued at \$1,003,000 on 24 September 2012. The book value of the Savusavu Property and Batiri as at balance date were \$200,000 and \$933,832 respectively. The excess of market value over book value has been brought to accounts.

On 25 March 2003, the Cabinet approved liquidation of Batiri Orchards, a subsidiary of National Trading Corporation Limited (NATCO) and to transfer its assets to the Ministry of Agriculture, Sugar and Land resettlement. However, as per recommendations made by the board of directors on 21 October 2015, Batiri Farm Property is to be reflected as Property, Plant and Equipment in the current financial statements of Food Processors (Fiji) Limited (the company). On 09 June 2017, the Ministry of Public Enterprise provided a written confirmation that Food Processors (Fiji) Pte Limited is the registered title holder and the current lessee of the land.

FOOD PROCESSORS (FIJI) PTE LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2015

(ii) Reconciliations

Reconciliations of the carrying amounts of Property, Plant and Equipment by class at the beginning and end of the financial year.

	Land & Building \$FJ	Plant & Equipment \$FJ	Furniture & Fittings \$FJ	Motor Vehicle \$FJ	Total FJ\$
Carrying amount at the beginning of the year	1,933,428	606,968	7,319	(98,564)	2,449,151
Addition	-	-	1,173	-	1,173
Depreciation expense	(382,009)	(112,224)	(1,836)	-	(496,069)
					-
Net Written Down Value	1,551,419	494,744	6,657	(98,565)	1,954,255

13. Investment Property

	Freehold Land \$FJ	Renovations \$FJ	WIP Renovations \$FJ	Total \$FJ
Balance as at 31 December 2013	2,911,928	80,461	180,939	3,173,328
Addition	-	-	-	-
Disposal	-	-	-	-
Depreciation expense	(88,723)	-	-	(88,723)
Balance as at 31 December 2014	2,823,205	80,461	180,939	3,084,605
Addition	-	-	-	-
Disposal	-	-	-	-
Depreciation expense	-	-	-	-
Balance as at 31 December 2015	2,823,205	80,461	180,939	3,084,605

During 2012, an independent valuation was carried out by the Property Solutions of the company's National Trading Corporation Limited (NATCO) property. The NATCO property had been valued at \$3,000,000 based on market value. The book value of the NATCO property as at balance date was \$2,430,790. The excess of market value over book value has been brought to accounts.

In 2008, the company has adopted the fair value method of valuation and hence the 2008 balances have been revalued to bring the investment property to the market value.

14. Trade and Other Payables

	31 December 2015 \$FJ	31 December 2014 \$FJ
Trade Payables	971,511	1,155,980
Other Payables	119,843	253,086
Refundable Deposits	1,521	1,521
	1,092,875	1,410,587

FOOD PROCESSORS (FIJI) PTE LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2015

15. Employee Entitlement	31 December 2015 \$FJ	31 December 2014 \$FJ
Annual Leave	4,358	-

16. Bank Overdraft

The Bank Overdraft from ANZ and Bank of South Pacific (BSP) are secured by the followings:

- i) Registered first fixed and floating charge (to be upstamped to \$1,800,000 by FPFL over all company assets, including its undertakings and paid and unpaid capital.
- ii) First registered mortgage over crown lease number 12439 given by the company over lots 1,2,3 & 18 situated at CD 388 Naqere, Savusavu.
- iii) First registered mortgage over crown lease number 8286, 8247 and iTaukei Lease no. 28883 given by the company over lots 1,2,3 on plan CD 389 situated at Batiri, Seaqaqa, Macuata.
- iv) First registered mortgage over crown lease number 4995 given by the company over the industrial property located at 68-70 Millet Road, Vatuwaqa, Suva.

	31 December 2015 \$FJ	31 December 2014 \$FJ
ANZ - 10407593	17,544	-
BSP - 8678217	144,245	113,259
BSP - 8678295	-	442,623
	<u>161,789</u>	<u>555,882</u>

17. Interest Bearing Borrowings

- i) BSP - 8679684

This loan is with Bank of South Pacific and is secured by the following:

- Registered first fixed and floating charge (to be upstamped to \$1,800,000 by FPFL over all company assets, including its undertakings and paid and unpaid capital.
- First registered mortgage over crown lease number 12439 given by the company over lots 1,2,3 & 18 situated at CD 388 Naqere, Savusavu.
- First registered mortgage over crown lease number 8286, 8247 and iTaukei Lease no. 28883 given by the company over lots 1,2,3 on plan CD 389 situated at Batiri, Seaqaqa, Macuata.
- First registered mortgage over crown lease number 4995 given by the company over the industrial property located at 68-70 Millet Road, Vatuwaqa, Suva.

Interest is charged at the rate of 7.00% pa and the monthly repayment of \$ 1,329.00

	31 December 2015 \$FJ	31 December 2014 \$FJ
Included in Current Liabilities	-	-
Included in Non Current Liabilities	-	772,386
	<u>-</u>	<u>772,386</u>

FOOD PROCESSORS (FIJI) PTE LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2015

17. Interest Bearing Borrowings (Continued)

(ii). BSP - 9157533

This loan is with Bank of South Pacific and is secured by the following:

- Registered first fixed and floating charge (to be upstamped to \$1,800,000 by FPFL over all company assets, including its undertakings and paid and unpaid capital.
- First registered mortgage over crown lease number 12439 given by the company over lots 1,2,3 & 18 situated at CD 388 Naqere, Savusavu.
- First registered mortgage over crown lease number 8286, 8247 and iTaukei Lease no. 28883 given by the company over lots 1,2,3 on plan CD 389 situated at Batiri, Seaqaqa, Macuata.
- First registered mortgage over crown lease number 4995 given by the company over the industrial property located at 68-70 Millet Road, Vatuwaqa, Suva.

Interest is charged at the rate of 7.00% pa and the monthly repayment of \$ 1329.00

	31 December 2015 \$FJ	31 December 2014 \$FJ
Included in Current Liabilities	-	-
Included in Non Current Liabilities	-	331,790
	<u>-</u>	<u>331,790</u>

(iii). BSP - 8913615

This loan is with Bank of South Pacific and is secured by the following:

- Registered first fixed and floating charge (to be upstamped to \$1,800,000 by FPFL over all company assets, including its undertakings and paid and unpaid capital.
- First registered mortgage over crown lease number 12439 given by the company over lots 1,2,3 & 18 situated at CD 388 Naqere, Savusavu.
- First registered mortgage over crown lease number 8286, 8247 and iTaukei Lease no. 28883 given by the company over lots 1,2,3 on plan CD 389 situated at Batiri, Seaqaqa, Macuata.
- First registered mortgage over crown lease number 4995 given by the company over the industrial property located at 68-70 Millet Road, Vatuwaqa, Suva.

Interest is charged at the rate of 7.00% pa and the monthly repayment of \$ 1329.00

	31 December 2015 \$FJ	31 December 2014 \$FJ
Included in Current Liabilities	-	-
Included in Non Current Liabilities	-	600,481
	<u>-</u>	<u>600,481</u>

FOOD PROCESSORS (FIJI) PTE LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2015

17. Interest Bearing Borrowings (Continued)

(iv). BSP - 80134382

This loan is with Bank of South Pacific and is secured by the following:

- Registered first fixed and floating charge (to be upstamped to \$1,800,000 by FPFL over all company assets, including its undertakings and paid and unpaid capital.
- First registered mortgage over crown lease number 12439 given by the company over lots 1,2,3 & 18 situated at CD 388 Naqere, Savusavu.
- First registered mortgage over crown lease number 8286, 8247 and iTaukei Lease no. 28883 given by the company over lots 1,2,3 on plan CD 389 situated at Batiri, Seaqaqa, Macuata.
- First registered mortgage over crown lease number 4995 given by the company over the industrial property located at 68-70 Millet Road, Vatuwaqa, Suva.

Interest is charged at the rate of 7.00% pa and the monthly repayment of \$ 1,329.00

	31 December 2015 \$FJ	31 December 2014 \$FJ
Included in Current Liabilities	13,000	-
Included in Non Current Liabilities	2,352,833	-
	2,365,833	-
	31 December 2015 \$FJ	31 December 2014 \$FJ
(v). Credit Corp 313641		
Included in Current Liabilities	1,058	23,535
Included in Non Current Liabilities	10,601	-
	11,659	23,535
	31 December 2015 \$FJ	31 December 2014 \$FJ
(vi). FDB 4611		
Included in Current Liabilities	1,889	64,751
Included in Non Current Liabilities	49,631	-
	51,520	64,751
	31 December 2015 \$FJ	31 December 2014 \$FJ
(vii). Credit Corp - Loan for EY		
Included in Current Liabilities	-	(70,127)
Included in Non Current Liabilities	(70,127)	-
	(70,127)	(70,127)

FOOD PROCESSORS (FIJI) PTE LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2015

18. Non Interest Bearing Borrowings

	31 December 2015 \$FJ	31 December 2014 \$FJ
Government of Fiji - Loan	<u>1,900,000</u>	<u>1,900,000</u>

Government of Fiji Loan

In March 2003 National Trading Corporation Limited (NATCO), a company responsible for the administration of National Marketing Authority in the 1990s was wound up as per Cabinet decision, and its assets and liabilities including, Government loan balance amounting to \$2,900,000 were transferred to the books of Food Processors (Fiji) Limited, in accordance with legal notice No. 18 Public Enterprise (National Trading Corporation Limited) Regulation 2004.

In February 2005, the Cabinet decided that the original loan amounting to \$2,900,000 be restricted as follows:

Original Loan	2,900,000
Less: Batiri Property/ asset to be transferred	(960,000)
Equity of Government	<u>(1,000,000)</u>
Net Loan	<u>940,000</u>

However, the Ministry of Finance, National Planning and Sugar Industry opposed this decision, stating that transfer of Batiri property cannot be treated as a loan repayment and the restructured loan amount of \$960,000 would need to be recorded as liability in the books of Food Processors (Fiji) Limited.

During the board meeting held on 21 October 2015, the board of directors notes the previous board decisions and recommended loan restructures recorded in the company's books of account as follows:

Original loan	2,900,000
Equity of government	<u>(1,000,000)</u>
Net Loan	<u>1,900,000</u>

Accordingly, assets and liabilities and income and expenditure of Batiri Farm has been recorded in the books of the company in the current financial year.

As part of loan restructure process, government loan amounting to \$1,000,000 was converted to equity, since, formalities and documentation for allotment of shares were not completed as at balance date, the loan has been disclosed as share deposits.

The Net loan balance was subject to interest at the rate of 5% per annum and repayable over a period of ten years with a moratorium in principle only for the first three years (2004 - 2006).

However, on 16 November 2009, the Cabinet approved to waive all accrued interest on the Government loan and to freeze any interest on the remaining loan until disposal of underutilized properties of the company, namely NATCO building and Savusavu property.

FOOD PROCESSORS (FIJI) PTE LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2015

19. Share Capital	31 December 2015 \$FJ	31 December 2014 \$FJ
Issued and Paid Up Capital		
687,679 Ordinary Shares fully paid	<u>687,679</u>	<u>687,679</u>

20. Comparatives

The comparatives are the unaudited figures for the year ended 31 December 2014. The figures for the last year have been regrouped where considered necessary.

21. Capital Commitments

Capital commitments as at 31 December 2015 amounted to \$Nil (2014 : \$Nil).

22. Contingent Liabilities

Contingent commitments as at 31 December 2015 amounted to \$Nil (2014 : \$Nil)

FOOD PROCESSORS (FIJI) PTE LIMITED
 DETAILED STATEMENT OF PROFIT AND LOSS
 FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	31 December 2015 \$FJ	31 December 2014 \$FJ
Income			
Sales		2,886,841	2,524,262
Cost of Sales	3	1,568,163	1,688,091
Gross Profit		1,318,678	836,171
Other Income		291,769	413,223
Total Income		1,610,447	1,249,394
Expenses			
Accounting Fees		7,593	10,500
Advertising and Promotion		20,653	28,894
Audit Fees		1,768	-
Bank Charges		7,616	9,882
Bad Debts Written Off		370,522	-
Cleaning & Pest Control Expense		9,707	3,270
Consultancy Fees		-	5,586
Directors' Fees		7,635	13,883
Donation		317	-
FNU Levy		2,674	9,856
Fringe Benefit Tax		2,628	2,628
General Expenses		-	16,655
Insurance		1,196	15,557
IT Expenses		11,925	-
Legal Fees		5,420	4,232
Licencing & Subs		28,849	14,277
Medical Expenses		3,176	-
Motor Vehicle Expenses		62,467	-
Printing and Stationery		7,047	19,162
Penalties		-	91,644
Rent		-	19,641
Repairs and Maintenance		33,986	70,176
Security Expenses		1,378	-
Staff Amenities and Training		1,737	115
Staff Expenses		3,118	-
Superannuation		147,980	52,514
Telephone, Fax and Internet		28,025	40,255
Travel & Accommodations		5,974	6,401
Union Fees		2,500	-
Utilities		96,167	96,646
Wages & Salaries		461,882	672,986
		1,333,938	1,204,760
Operating Profit Before Interest, Depreciation and Tax		276,509	44,634
Interest		180,335	161,993
Depreciation		496,069	177,324
Net Operating (Loss) before Tax		(399,896)	(294,684)

The Detailed Statement of Profit and Loss is to be read in conjunction with the Applicable Accounting Policies and Notes to the Financial Statements set out on pages 14 to 27.