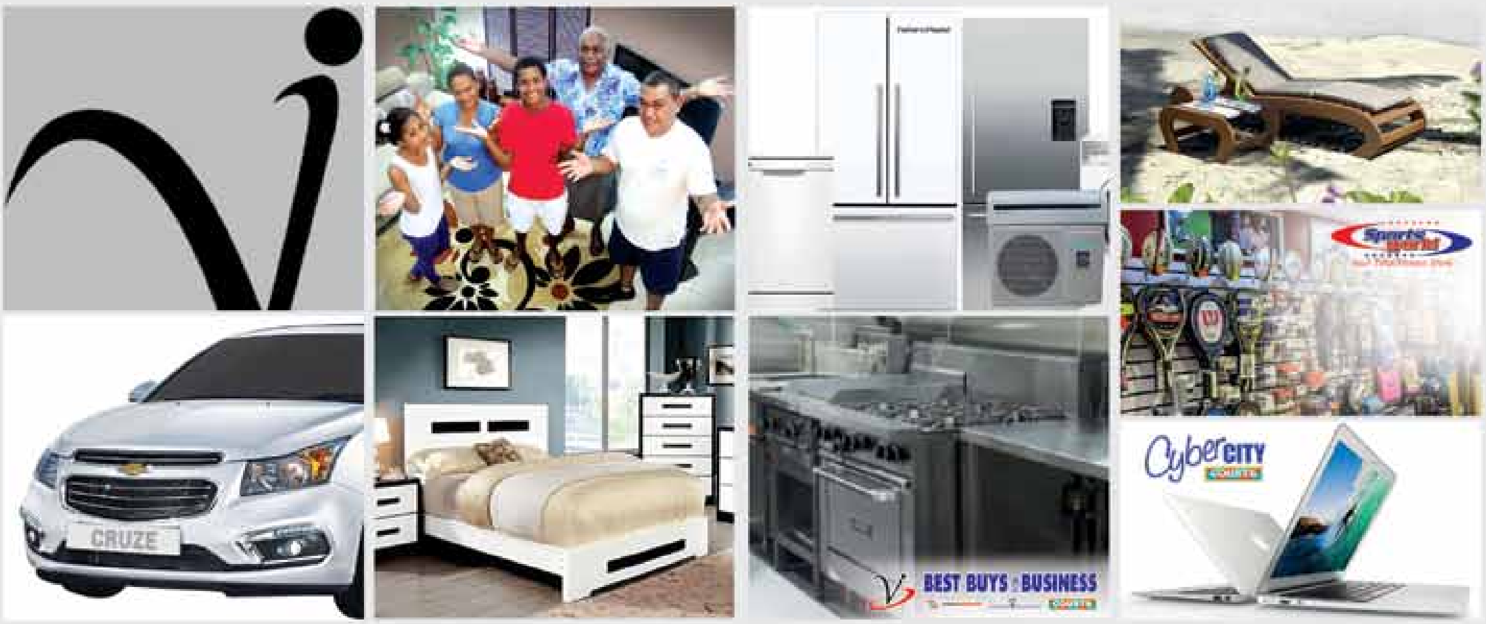
VISION INVESTMENTS LIMITED



ANNUAL REPORT 2016

COURTS Quality Brands! Great Choice!

VISION MOTORS

MIF MAHOGANY INDUSTRIES (FIJI)

VISION FINANCE

This Annual Report is dated 29th July 2016

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CHAIRMAN'S REVIEW

> "Our unrelenting focus is to run a successful business and deliver long term sustainable and profitable growth to our Shareholders. This includes a consistent dividend policy that provides cash returns to Shareholders and also reinvestment of profits in new business opportunities to grow the Company."

It gives me great pleasure to present the first Annual Report of the Company for the year ended 31st March 2016, since becoming a Public Company listed on the South Pacific Stock Exchange (SPSE).

The Founder Shareholders took the decision to list the Company on the SPSE after the introduction of fiscal incentives by the Government encouraging companies to list on the SPSE. The year was a transformational and historic year for the Company. On 29th February 2016, the Company listed on the SPSE. This was heralded as a major development in the capital markets in Fiji. It was particularly pleasing that International Finance Corporation (IFC – an affiliate of the World Bank), after carrying out comprehensive due diligence on the Company, signed a Cornerstone Agreement to invest directly and take up 6.1% shareholding in the Company. An overseas investor of the calibre of IFC investing in the local stock market, marks an important milestone in the development of capital markets in the Country and also signals confidence in the local economy and businesses by overseas investors. Other institutional investors such as the Fiji National Provident Fund, BSP Life (Fiji) Limited, Unit Trust of Fiji and Fijian Holdings Unit Trust also took up significant to large shareholdings in the Company. By extension this means, every member of the Fiji National Provident Fund, every policy holder of BSP Life and every unit holder of Unit Trust of Fiji and the Fijian Holdings Unit Trust are indirectly Shareholders of the Company.

I extend a warm welcome to all the new Shareholders of the Company since the Listing. Our unrelenting focus is to run a successful business and deliver long term sustainable and profitable growth to our Shareholders. This includes a consistent dividend policy that provides cash returns to Shareholders and also reinvestment of profits in new business opportunities to grow the Company.

FOUNDER SHAREHOLDER AGREEMENT

The collective business acumen and skills of the four Founder Shareholders have been the foundation of the success of the Company. To ensure the Company continues to benefit from this, the four Founder Shareholders entered into an Agreement to hold a minimum of 60% of the shareholding for a minimum period of 5 years commencing from November 2015. This will ensure the four Founder Shareholders will continue to contribute to the success of the business.

DIRECTORS

I welcome the 3 new Directors appointed to the Board since the Listing. David Evans is an independent non-executive Director from a background of banking and finance and corporate governance and can provide valuable guidance to the Board in these areas. Ratu Waka Vosailagi an independent and non-executive Director, has extensive experience in business and commerce and will add to the skills of the Board. Suliano Ramanu was nominated to the Board by the significant shareholder – Fiji National Provident Fund and his experience in investment appraisal will be a useful skill addition to the Board. All these new board appointments will be put up for ratification at the next Shareholders Annual General Meeting.

RESTRUCTURE

A process of restructuring and rationalization was undertaken to prepare the Company for listing on the South Pacific Stock Exchange. This culminated in the Company acquiring the businesses and net assets of Vision Motors Limited, Mahogany Industries (Fiji) Limited and Vision Finance Limited, effective from 1st July 2015. Consequent to this restructure and rationalization, the Company businesses now comprise Courts, Vision Motors, Mahogany Industries and Vision Finance. This diversity in business gives the Company a certain level of resilience to vagaries and swings in the different economic sectors.

GOVERNANCE AND RISK MANAGEMENT

Since the Listing, the Board have formalised various measures to ensure good governance, transparency, high ethical standards and identification and management of risks. These include setting up of Subcommittees to provide advise to the Board in the relevant areas. The Board adopted and put in place, key policy documents to ensure the Company affairs are conducted to the highest standards. A framework for risk management was also put in place to identify and manage risks in its operating environment. More details of these measures are disclosed in a separate section of the Annual Report.

OPERATING RESULTS

The operating results of the year comprise the full 12 months trading of the Courts Division and 9 months trading results of Vision Motors, Mahogany Industries and Vision Finance Divisions. The comparatives shown for the previous year operating results in the financial statements, are only for Courts (Fiji) Limited (Subsequently re-named Vision Investments Limited). Therefore when comparing the financials in the statements with the previous year, this must be borne in mind. The Company achieved a pleasing result of $16.1million profit before tax on a turnover of $134.7million. These operating outcomes compared favorably with the prospective financials disclosed in the Information Memorandum (IM),that was issued to the market, leading up to the Company listing on the SPSE. The profit before tax of the Company exceeded the Forecast in the IM. The tax expense increased by an additional $1.1million due to the revaluation of the deferred tax asset in the balance sheet at the 10% company tax rate now applicable to the Company as a public listed Company, as opposed to the tax rate of 20% used previously.

DIVIDENDS

Out of the net earnings in the financial year, the Board declared $9,712,634 to be distributed as dividends to the Shareholders in 2 interim declarations. This equated to a dividend distribution of 9.59 cents per ordinary share.

CYCLONE WINSTON

Cyclone Winston which swept through our shores on 20th February 2016, was indeed an unprecedented tragedy with 44 of our fellow citizens losing their lives. At the time we expressed our deep sympathies to all those affected by this unprecedented storm. The Company provided $150,000 in donation and assistance to the Government's rehabilitation efforts.

OUTLOOK

The Company operates in a highly competitive environment. We will focus on building and strengthening our competitive advantages and investing in new business opportunities to expand and grow the Company. The Company is focused on meeting at a minimum the 3 year prospective profit forecasts that were published in the IM issued to the market in connection with the listing of the Company on the SPSE. The economy continues to grow year on year with consistent and stable fiscal policies. The monetary outlook is stable with prudently managed foreign reserves. Inward foreign currency remittances and bank lending for consumption and investment continues to be upbeat. Tourism which accounts for nearly 1/3 of the economy also continues to show strong and robust growth. We are hopeful that this will translate to higher disposable income and consumer spending in the economy. Views are expressed that some segments affected by Cyclone Winston, will take time to recover and drag growth. However, the Government expenditure and the aid flows on the rehabilitation effort, is expected to compensate for some of these losses.

On behalf of my fellow Directors, I wish to acknowledge the tremendous contribution of all employees to the Company's performance during the year.

Dilip Khatri
Chairman

CEO'S REVIEW

> People development will be a key focus area to ensure all our team members are focused on responding to our Customer needs and expectations. We are committed to growing our store network.
> We are also looking at new business opportunities that are complimentary to our skills and competencies.

The financial year ended 31st March 2016 was a year of tremendous transformation and change. Pursuant to the decision taken by the Founder Shareholders to list the Company on the South Pacific Stock Exchange (SPSE), a lot of effort was focused on preparing the Company for the listing. Discussions were held with the International Finance Corporation (IFC -affiliate of the World Bank), to invest in the capital of the Company, which successfully led to IFC being a cornerstone investor. During the comprehensive due diligence process undertaken by IFC, valuable lessons were learnt, especially in the area of corporate governance, life and fire safety and environmental reviews. These learning's will enable the Company to conduct its affairs to a high governance standard, thus providing assurance to all stakeholders in the Company.

The Company performed strongly in the year, despite some set-backs. The Government budget announcement in November 2015 that VAT will be reduced from 15% to 9% effective from 1st January 2016, dampened consumer spending by individuals in the month of December in anticipation of the price reduction -especially on durable home goods and motor vehicles. This particularly impacted Courts, as December is the highest trading month in the year on account of the busy festive Christmas period. However, some of the pent up demand was recouped in January, with higher than usual sales. In the latter part of February 2016, operations were disrupted due to Cyclone Winston, particularly in Western Viti Levu and Vanua Levu. Thankfully, direct losses due to Cyclone Winston were minimized due to precautionary measures taken by the Company to safeguard Company property and assets.

The operating result for the year includes one-off and unusual expenses. The Company incurred a significant expense in relation to listing of the Company on the SPSE, which is disclosed in the financial statements. The Company also took up a significant loss under the debt protection scheme offered to Pearl Hire Purchase Customers in relation to cases where the chattels were lost or destroyed during Cyclone Winston.

Despite these set-backs, the Company's profit before tax exceeded the prospective forecast shown in the Information Memorandum (IM) that was issued in connection with the Listing of the Company. The tax expense was higher than the forecast in the IM due to two reasons.

In the IM, it was taken that profits for the four months – December 2015 to March 2016 will be subject to 10% tax rate applicable to public listed companies. Since the Company Listed only on 29th February 2016, the 10% tax rate was applicable only for the month of March, whilst the remainder of the eleven months, were subject to the standard 20% company tax rate. Also the deferred tax asset in the balance sheet had to be revalued at year end at the 10% company tax rate as opposed to the 20% tax rate used previously, which resulted in a write-down of $1.1million to tax expense.

The Balance Sheet of the Company underwent a major restructure leading to the Listing of the Company on the SPSE. Effective 1st July 2015, the Company acquired the businesses and net assets of Vision Motors Limited, Mahogany Industries (Fiji) Limited and Vision Finance Limited. The Company was further recapitalized with the infusion of new share capital. Related party balances were settled. The new share capital invested by IFC was used to reduce borrowings and earmarked to be used for funding of new projects currently under evaluation by the Company.

In the year Vision Motors secured the SsangYong and MG vehicle franchises. The relevant vehicle models will be positioned to gain market share in the relevant segments. Vision Motors also started a vehicle rental business and will increase the vehicle fleet commensurate with the growth in this business.

OUTLOOK

The Company, true to its mission, will continue to offer our Customers the best products at the best prices and providing best after sales care. We will offer new and innovative product categories and ranges to delight and surprise our Customers and to offer new experiences. We will continue with our multitude of initiatives to improve the Customer Experience.

We are mindful of the threat to traditional business models due to changes in technology and we will take initiatives to stay connected to our Customers.

People development will be a key focus area to ensure all our team members are focused on responding to our Customer needs and expectations. We are committed to growing our store network. We are also looking at new business opportunities that are complimentary to our skills and competencies. Announcements will be made at the appropriate time when projects come to fruition.

Another important area of focus is to grow the B2B business specializing in select product categories including commercial air-conditioning. Particular focus will be given to serving customers in the hospitality sector, as we have acquired specialist expertise in this area. We have secured an impressive stable of commercial brands and franchises, which will be positioned to spearhead this growth.

The Company operates in a highly competitive environment. We look forward to meeting the challenges and achieving a strong result next year.

P.L.Munasinghe
Chief Executive Officer

KEY FINANCIAL RESULTS SUMMARY

KEY FINANCIAL PERFORMANCE	2016
REVENUE ($)	134,696,350
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION ($)	22,533,854
PROFIT BEFORE TAX ($)	16,086,779
NET PROFIT AFTER TAX ($)	11,472,919
NET CASH FLOW (FROM OPERATING ACTIVITY) ($)	20,466,023
TOTAL ASSETS ($)	125,910,375
TOTAL LIABILITIES ($)	58,473,068
SHAREHOLDERS EQUITY ($)	67,437,307
WORKING CAPITAL ($)	71,436,164
EARNINGS PER SHARE (Cents)	15.00
DIVIDENDS PER SHARE (Cents)[1]	9.59
CURRENT RATIO (TIMES)	3.5
DEBT TO EQUITY RATIO	0.867:1
INTEREST COVER (TIMES)	7.6
MARKET PRICE as at 31 MARCH ($)[2]	1.75
ISSUED SHARES	103,769,425
NET TANGIBLE ASSETS PER SHARE ($)	0.65
MARKET CAPITALISATION ON SPSE as at 31 MARCH 2016 ($)	181,596,494

1 Dividends per share of 9.59 cents comprises of interim dividends of 3.75 cents per share declared on 30th September 2015 and additional interim dividends of 5.84 cents per share declared on 17th June 2016.

2 Share price on close of trading on the date of listing (29th February 2016) was $1.70.

DIRECTORS' REPORT

In accordance with a resolution of the Board of Directors, the directors herewith submit the statement of financial position of the Company as at 31 March 2016, and the related statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and report as follows:

1. DIRECTORS

The following were directors of the Company at any time during the financial year and up to the date of this report:

Dilip Khatri	
Navin Patel	
Suresh Patel	
Dinesh Patel	
Satish Parshotam	
Ratu Aisea Waka Vosailagi	– appointed 29 February 2016
David Evans	– appointed 29 February 2016
P L Munasinghe	– resigned 29 February 2016
Suliano Ramanu	– appointed 1 June 2016

2. PRINCIPAL ACTIVITIES

The principal activities of the Company are the sale of furniture, household electrical items, general merchandise and the financing of these products at a margin, manufacture of furniture and joinery works; and trading, leasing and repair of motor vehicles, vehicle rentals and spare parts.

On 29 February 2016, the Company listed its shares on the South Pacific Stock Exchange.

3. TRADING RESULTS

The net profit after income tax of the Company for the year ended 31 March 2016 was $11,472,919 (2015: $9,732,610).

4. RESERVES

The directors recommended that no amount be transferred to reserves for the year ended 31 March 2016.

5. DISTRIBUTIONS

Capital gain arising from related party debt forgiven of $12,583,851 was distributed to shareholders on 1 July 2015.

6. DIVIDENDS

The directors declared an interim dividend of $3,652,500 on 30 September 2015.

7. BAD AND DOUBTFUL DEBTS

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 provision was made for doubtful debts.

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

8. 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 misleading.

DIRECTORS' REPORT - Continued

9. DIRECTORS' BENEFIT

No director of the Company has, since the end of the previous financial year, received or become entitled to receive a benefit (other than a benefit included in the total amount of emoluments received or due and receivable by directors as shown in the Company's financial statements) by reason of a contract made by the Company or related company with the director or with a firm of which he is a member, or with a Company in which he has substantial financial interest.

10. EVENTS SUBSEQUENT TO BALANCE DATE

Apart from those disclosed in the notes to the financial statements, there has not arisen in the interval between the end of the financial year and the date of this report, transactions or events of a material and unusual nature likely, in the opinion of the Board of Directors, to affect significantly the operations of the Company, the results of those operations or the state of affairs of the Company.

11. BASIS OF PREPARATION

The financial statements of the Company have been drawn up in accordance with International Financial Reporting Standards and the requirements of law. The financial statements have been prepared under the historical cost convention.

12. 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 render any amounts stated in the financial statements misleading.

13. SIGNIFICANT TRANSACTIONS

Pursuant to a shareholders' resolution on 31 March 2015, the company acquired the businesses and assets of related companies Vision Motors Limited, Vision Finance Limited and Mahogany Industries (Fiji) Limited effective 1 July 2015. The financial statements for the year ended 31 March 2016 includes the assets and liabilities of these acquisitions. In addition, Evergreen Investments Limited forgave $12,583,851 of debt owed to it by the Company and this was distributed to the shareholders as capital gains.

Signed in accordance with a resolution of the directors this ...28th... day of.........June.........2016.

For and on behalf of the Board:

....
Director

....
Director

STATEMENT BY DIRECTORS

In the opinion of the Directors:

(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 March 2016;

(b) 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 March 2016;

(c) the accompanying statement of changes in equity is drawn up so as to give a true and fair view of the movement in share holders' funds of the Company for the year ended 31 March 2016;

(d) the accompanying statement of cash flows of the Company is drawn up so as to give a true and fair view of the cash flows of the Company for the year ended 31 March 2016;

(e) at the date of this statement, there are reasonable grounds to believe the Company will be able to pay its debts as and when they fall due; and

(f) all relevant related party transactions have been adequately recorded in the books of the Company and appropriately disclosed in these financial statements.

Signed in accordance with a resolution of the directors this 28th day of June 2016.

For and on behalf of the Board:

Director

Director

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Vision Investments Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Vision Investments Limited (the "Company"). The financial statements comprise the statement of financial position of the Company as at 31 March 2016 and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Directors' and Management's Responsibility for the Financial Statements
Directors and Management are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and with the requirements of the Fiji Companies Act, 1983, 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.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors and management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

PricewaterhouseCoopers, Level 8 Civic Tower, 272 Victoria Parade, Suva, Fiji.
GPO Box 200, Suva, Fiji.
T: (679)3313955 / 3315199, F: (679) 3300981 / 3300947

Opinion
In our opinion the financial statements give a true and fair view of the financial position of the Company as at 31 March 2016, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on Other Legal and Regulatory Requirements

In our opinion:

a) proper books of account have been kept by the Company, so far as it appears from our examination of those books, and

b) the accompanying financial statements are in agreement with the books of account and to the best of our information and according to the explanations given to us give the information required by the Fiji Companies Act, 1983 in the manner so required.

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.

Restriction on Distribution or Use

This report is made solely to the Company's shareholders, as a body, in accordance with Section 165(1) of the Fiji Companies Act 1983. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

28 June 2016
Suva, Fiji

PricewaterhouseCoopers
Chartered Accountants

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME YEAR ENDED 31 MARCH 2016

	Notes	2016 $	2015 $
Revenue	5	134,696,350	104,154,847
Cost of sales		(82,690,482)	(59,441,367)
Gross profit		52,005,868	44,713,480
Other income		2,326,264	3,900,239
Administrative costs		(21,835,228)	(20,063,033)
Other costs		(13,969,388)	(10,961,246)
Operating profit before finance costs and taxes	6	18,527,516	17,589,440
Finance costs		(2,440,737)	(5,493,934)
Profit before income tax		16,086,779	12,095,506
Income tax expense	7(a)	(4,613,860)	(2,362,896)
Profit for the year		11,472,919	9,732,610
Other comprehensive income		-	-
Total comprehensive income for the year		$11,472,919	$9,732,610

Earnings per share from continuing operations attributed to members:

	Notes	2016	2015
- Basic earnings per share	19	$0.15	$19.59
- Diluted earnings per share	19	$0.15	$19.59

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016

	Notes	2016 $	2015 $
ASSETS			
Non-current assets			
Plant and equipment	11	13,710,099	6,471,133
Intangible assets	12	314,501	244,698
Trade receivables	9	11,091,438	10,365,884
Deferred income tax asset	7(c)	980,420	1,322,417
Amounts owing by related parties	15(d)	-	22,313,478
		26,096,458	40,717,610
Current assets			
Cash on hand and at bank	13	2,590,525	500,121
Trade receivables	9	43,275,507	38,172,665
Other receivables and prepayments		7,316,345	6,300,939
Inventories	10	46,631,540	35,460,134
Amounts owing by related party	15(d)	-	501,860
		99,813,917	80,935,719
		$125,910,375	$121,653,329
		===========	===========
EQUITY			
Issued capital	8	58,699,997	36,232,000
Asset realisation reserve	8	-	347,308
Retained earnings		8,737,310	569,583
		67,437,307	37,148,891
LIABILITIES			
Non-current liabilities			
Borrowings	18	29,844,905	44,466,367
Amounts owing to related parties	15(e)	250,410	21,131,046
		30,095,315	65,597,413
Current liabilities			
Bank overdraft	13	7,573,737	8,561,266
Other payables and accruals		4,971,855	1,408,658
Trade payables		11,054,700	7,585,472
Employee benefits	14	1,488,777	1,174,906
Current income tax liability	7(b)	1,246,462	118,009
Borrowings	18	2,042,222	58,714
		28,377,753	18,907,025
		58,473,068	84,504,438
		$125,910,375	$121,653,329
		===========	===========

The above statement of financial position should be read in conjunction with the accompanying notes.

These financial statements are approved in accordance with a resolution of the Board of Directors.

Signed in accordance with a resolution of the directors this ...28th...day of ...June....2016.

For and on behalf of the Board

....
Director

....
Director

STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 MARCH 2016

	Issued capital $	Asset realisation reserve $	Retained earnings $	Total equity $
Balance at 31 March 2014	300,000	347,308	4,836,973	5,484,281
Comprehensive income				
Profit for the year	-	-	9,732,610	9,732,610
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	9,732,610	9,732,610
Transaction with owners				
Proceeds from shares issued	35,932,000	-	-	35,932,000
Dividends	-	-	(14,000,000)	(14,000,000)
Balance at 31 March 2015	36,232,000	347,308	569,583	37,148,891
Comprehensive income				
Profit for the year	-	-	11,472,919	11,472,919
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	11,472,919	11,472,919
Transaction with owners				
Loan forgiven by related Company (note 15(e))	-	-	12,583,851	12,583,851
Above amount distributed to shareholders (note 15(e))	-	-	(12,583,851)	(12,583,851)
Proceeds from shares issued	22,467,997	-	-	22,467,997
Dividends	-	-	(3,652,500)	(3,652,500)
Other movements				
Transfer to retained earnings	-	(347,308)	347,308	-
Balance at 31 March 2016	$58,699,997	$ -	$ 8,737,310	$67,437,307
	==========	=========	=========	==========

The above statement of changes in equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2016

	Notes	2016 $	2015 $
Cash flows from operating activities			
Receipts from customers		134,259,206	111,229,675
Payments to suppliers and employees		(108,471,022)	(97,692,771)
Cash generated from operations		25,788,184	13,536,904
Income tax paid	7(b)	(2,881,424)	(1,485,581)
Interest paid		(2,440,737)	(5,175,647)
Net cash generated from operating activities		20,466,023	6,875,676
Cash flows from investing activities			
Purchase of plant and equipment		(883,530)	(2,255,739)
Proceeds from sale of plant and equipment		554,198	168,568
Payment for acquisition of net assets of Vision Motors Limited, Vision Finance Limited and Mahogany Industries (Fiji) Limited	23	(517,494)	-
Cash and bank overdraft acquired from Vision Motors Limited, Vision Finance Limited and Mahogany Industries (Fiji) Limited		(8,210,780)	-
Net cash used in investing activities		(9,057,606)	(2,087,171)
Cash flows from financing activities			
Repayment of borrowings from Westpac Banking Corporation		(12,637,954)	(8,367,812)
Net amounts paid to related parties		(1,924,176)	(15,631,810)
Proceeds from issue of shares		22,467,997	35,932,000
Dividends paid		(3,652,500)	(14,000,000)
Capital gain distributed to shareholders	15(e)	(12,583,851)	-
Net cash used in financing activities		(8,330,484)	(2,067,622)
Net increase in cash held		3,077,933	2,720,883
Cash and cash equivalents at the beginning of the year		(8,061,145)	(10,782,028)
Cash and cash equivalents at the end of the year	13	($ 4,983,212)	($8,061,145)

The above statement of cash flows should be read in conjunction with the accompanying notes.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

These financial statements were authorised for issue by the Board of Directors on 28 June 2016.

(a) Basis of preparation

The financial statements are general purpose financial statements and have been prepared in accordance with the requirements of the Fiji Companies Act, 1983 and the International Financial Reporting Standards (IFRS).

The financial statements have been prepared under the historical cost convention, as modified by certain accounting policies below.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

i) *New and amended standards adopted by the Company*
There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 April 2015 that have a material impact on the Company.

ii) *New standards and interpretations not yet adopted*
Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2016 reporting periods and have not been early adopted by the Company. The Company's assessment of the impact of these new standards and interpretations is set out below.

Amendment to IAS1 'Presentation of financial statements' – disclosure initiative – The amendments are as part of the IASB initiative to improve presentation and disclosure in the financial reports. Effective for annual periods beginning on or after 1 January 2016.

IFRS 9 Financial Instruments – addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in September 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Company intends to adopt IFRS 9 on its effective date and has yet to assess its full impact.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

(a) Basis of preparation - Continued

ii) New standards and interpretations not yet adopted – Continued

IFRS 15, 'Revenue from contracts with customers' – This standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard has an effective date from annual periods beginning on or after 1 January 2018.

IFRS 16, 'Leases' – replaces the current guidance in IAS 17. Under IFRS 16, 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. Under IAS 17, a lessee was required to make a distinction between a finance lease (on balance sheet) and an operating lease (off balance sheet). IFRS 16 now requires a lessee to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. Included is an optional exemption for certain short-term leases and leases of low-value assets; however, this exemption can only be applied by lessees. The standard is effective for accounting periods beginning on or after 1 January 2019. Early adoption is permitted but only in conjunction with IFRS 15, 'Revenue from contracts with customers.'

(b) Plant and equipment

Plant and equipment is stated at historical cost less depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.

Plant and equipment are depreciated over their estimated useful lives. Assets are first depreciated in the year of acquisition. The principal depreciation rates used are as follows:

Class of asset	Rate of depreciation	
Plant and equipment	5% to 20%	(Straight-line method)
Furniture, fixtures and fittings	10% to 50%	(Straight-line method)
Motor vehicles	18% to 50%	(Straight-line method)
Computer equipment	25% to 50%	(Straight-line method)
Leased vehicles	Term of lease	

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other income' in the statement of profit or loss and other comprehensive income.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

(c) Intangible assets

Computer software

Acquired computer software licences, which have a finite life, are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (three to five years).

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the development of identifiable and unique software products controlled by the Company, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Costs include the software development employee costs and an appropriate portion of relevant overheads.

Computer software development costs recognised as assets are amortised over their estimated useful lives (not exceeding three years).

(d) Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(e) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost includes expenditure incurred in acquiring the inventories and bringing them to their existing condition and location. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Determination of cost

Merchandise	- Cost is determined using the weighted average cost method.
Motor vehicles	- Cost is determined using the first-in-first out (FIFO) cost method.
Spare parts, tyres and lubricants	- Cost is determined using the weighted average cost method.
Raw materials (timber)	- Cost is determined using the weighted average cost method.
Work in progress (furniture)	- Cost is determined using the weighted average cost method.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

(f) Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit or loss and other comprehensive income on a straight-line basis over the period of the lease.

(g) 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 Company's activities. Revenue is shown net of value-added tax, returns and discounts.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sales of goods
Revenue on credit and cash sales is recognised when the goods have been delivered, the customer has accepted the goods and collectability of the related receivables is reasonably assured.

Service charges
Service charges on hire purchase sales are recognised in profit or loss over the term of the hire purchase agreement using the sum of digits method, in accordance with the Consumer Credit Act (1999). The sum of digits method provides a constant periodic rate of return on outstanding receivables.

The use of sum of digits method results in recognition which is materially consistent with recognition had the effective interest rate method been used.

Vehicle repairs
Revenue is recognised when the services have been rendered to the customer.

Lease revenue
Lease revenue on operating leases is recognised over the term of the lease on a straight-line basis. Revenues related to performance of lease service care are deferred and recognised upon actual servicing and maintenance carried out by the Company.

(h) Financial assets

The Company classifies all its financial assets as loans and receivables.

Classification
The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

Recognition
Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

(h) Financial assets – Continued

Measurement
At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

(i) Impairment of financial assets

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows.

The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss in the statement of profit or loss and other comprehensive income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss in the statement of profit or loss and other comprehensive income

(j) Impairment of non-financial assets

Intangible assets that are not yet available for use (such as software under development) are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(k) Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount directly. The other receivables are assessed collectively to determine whether there is objective evidence that an impairment has been incurred but not yet been identified. For these receivables the estimated impairment losses are recognised in a separate provision for impairment. The Company considers that there is evidence of impairment if any of the following indicators are present:

- significant financial difficulties of the debtor
- probability that the debtor will enter bankruptcy or financial reorganisation, and
- default or delinquency in payments.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

(k) Trade receivables – Continued

Receivables for which an impairment provision was recognised are written off against the provision when there is no expectation of recovering additional cash. Impairment losses are recognised in profit or loss within other expenses. Subsequent recoveries of amounts previously written off are credited against other expenses.

(l) Employee benefits

Liabilities for employees' entitlements to wages and salaries, annual leave and other current employee entitlements (that are expected to be paid within twelve months) are accrued at undiscounted amounts, calculated at amounts expected to be paid as at reporting date.

(m) Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

(n) Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash on hand and in banks and bank overdrafts. In the balance sheet, bank overdraft is shown in current liabilities.

(o) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method.

Borrowing Costs
General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(p) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at management's best estimate of the expenditure required to settle the obligation.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

(q) Dividend distribution

Provision is made for the amount of any dividend declared, determined or publicly recommended by the directors on or before the end of the financial year but not distributed at balance date.

During the year, an interim dividend of $0.04 per share (2015: $46.67) was declared.

(r) Earnings per share

Basic earnings per share – is determined by dividing the profit for the year of the Company by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share –is determined on the same basis as above as the Company does not have any convertible instruments, options, warrants or ordinary shares that will be issued upon the satisfaction of specified conditions.

(s) Foreign currency translation

(i) Functional and presentation currency

The financial statements are presented in Fijian dollars, which is the functional and presentation currency of the Company.

(ii) Transactions and balances

Transactions denominated in a foreign currency are initially recorded in the functional currency at the exchange rate on the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at year-end are recognised in the statement of profit or loss and other comprehensive income.

(t) Comparative figures

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

(u) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive committee that makes strategic decisions.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

(v) **Group re-organisation**

Where an acquisition occurs through group re-organisation, the identifiable assets and liabilities acquired are measured at their pre-combination carrying amounts without fair value uplift. No new goodwill is recorded. Any difference between the consideration transferred and the carrying value of the assets and liabilities acquired is recorded in equity.

2 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and cash flow interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by the executive committee under policies approved by the Board of Directors. The committee identifies and evaluates financial risks in close co-operation with the Company's operating units. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

(a) *Market risk*

(i) *Foreign exchange risk*

The Company is exposed to foreign exchange risk arising from various currency exposures in respect to purchase of inventory, primarily with respect to the USD, NZD and AUD. Foreign exchange risk arises from future commercial transactions and liabilities.

As at year end, assets and liabilities denominated in foreign currencies are minimal and hence changes in foreign currencies by 100 basis points is expected to have minimal impact on profit or loss.

The Company's exposure to foreign currency risk at the end of the reporting period, expressed in Fijian dollars, was as follows:

	31 March 2016			31 March 2015		
	USD	**NZD**	**AUD**	**USD**	**NZD**	**AUD**
Trade payables	854,625	788,898	163,006	391,696	361,253	74,677

(ii) Cash flow interest rate risk

As the Company has no significant interest-bearing assets, the Company's income and operating cash flows are substantially independent of changes in market interest rates.

The Company's interest rate risk arises from long-term borrowings and bank overdrafts. Borrowings and bank overdraft issued at variable rates expose the Company to cash flow interest rate risk. There are no borrowings issued at fixed rates. All borrowings are in local currency. The Company regularly negotiates its interest rate with the Banks so that the lowest possible rate is available.

At 31 March 2016, if interest rates on borrowings and bank overdraft had been 10 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been $39,219 (2015: $53,086) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

2 FINANCIAL RISK MANAGEMENT – Continued

(b) Credit risk

Credit risk is managed by the executive committee with Board oversight. Credit risk arises from cash and cash equivalents as well as credit exposures to wholesale and retail customers, including outstanding receivables (note 9). As part of its risk control procedures, an assessment of the credit quality of a new customer, taking into account its financial position, past experience and other factors is carried out. Individual credit risk limits are then set based on the assessments done. The utilisation of credit limits is regularly monitored. Sales to credit customers are settled in cash, cheques, credit cards and debit cards through instalments over a period of time.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to meet present obligations.

Management monitors rolling forecasts of the Company's liquidity reserve, comprising of cash and cash equivalents (note 13) on the basis of expected cash flow.

The Company's financial liabilities are analysed below:

Company	**Up to 1 year**	**1 to 2 years**	**2 to 5 years**	**Over 5 Years**	**Total**
	$	**$**	**$**	**$**	**$**
As at 31 March 2016					
Bank overdraft	7,573,737	-	-	-	7,573,737
Borrowings	2,042,222	29,844,905	-	-	31,887,127
Trade and other payables	16,026,555	-	-	-	16,026,555
Total	25,642,514	29,844,905	-	-	55,487,419
As at 31 March 2015					
Bank overdraft	8,561,266	-	-	-	8,561,266
Borrowings	58,714	44,466,367	-	-	44,525,081
Trade and other payables	8,994,130	-	-	-	8,994,130
Total	17,614,110	44,466,367	-	-	62,080,477

3 CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital is 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.

The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the statement of financial position) add bank overdraft, less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt. Equity also comprises of "quassi" equity through shareholder advances.

3 CAPITAL RISK MANAGEMENT – Continued

The gearing ratios at 31 March 2016 and 2015 were as follows:

	2016 $	2015 $
Total borrowings	31,887,127	44,525,081
Add: Cash and cash equivalents (note 13)	4,983,212	8,061,145
Net debt	36,870,339	52,586,226
Equity (page 13)	67,437,307	37,148,891
Shareholders advances (Note 15(e))	-	16,000,000
Total equity	67,437,307	53,148,891
Total capital	$ 104,307,646	$ 105,735,117
Gearing ratio	35%	50%

The Company has complied with the financial covenants of its borrowing facilities during the 2016 and 2015 reporting period.

4 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in note 1 together with information about the basis of calculation for each affected line item in the financial statements.

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Significant estimates and judgements

Impairment of trade receivables

Management reviews the Company's trade receivables (note 9) for objective evidence of impairment on a monthly basis. An allowance for impairment is established when there is objective evidence that the trade receivables have been impaired. Since the Company has a diversified customer base with a large number of individuals, for purpose of collective evaluation of impairments, receivables are grouped based on similar credit characteristics.

Impairment loss is determined based on the review of current status of the existing receivables and historical collection experience. In determining this, management uses estimates based on historical loss experience for assets with similar credit risk characteristics. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between the estimated loss and actual loss experience.

5 REVENUE

	2016 $	2015 $
Sale of goods and vehicles	115,672,628	88,308,644
Service charges	16,508,297	15,846,203
Vehicle Repairs	625,451	-
Lease Income	1,889,974	-
	$ 134,696,350	$ 104,154,847
	============	=============

6 PROFIT BEFORE INCOME TAX

Profit before income tax is stated after charging / (crediting) the following specific items:

	2016 $	2015 $
Amortisation and depreciation	4,006,338	2,474,541
Auditors' remuneration:		
- Audit	85,000	55,350
- Other services	49,807	28,900
Bad debts written off / (recovered)	39,547	(51,614)
Directors' fees	109,468	111,822
Management fees	600,000	515,000
Exchange gain	(426,028)	(164,210)
FNPF	1,328,376	940,172
FNU levy	124,406	109,873
Gain on disposal of plant and equipment	(48,500)	(115,279)
Inventory write-offs	243,393	485,597
Salaries and wages	10,210,061	9,003,746
Stock exchange listing expenses	706,205	-
Movement in provisions:		
- Annual leave	138,714	43,547
- Impairment loss: Doubtful debts	201,763	(11,812)
Stock obsolescence	440,991	(98,834)
Finance costs attributable to:		
- external borrowings	1,932,269	2,651,665
- related party borrowings	508,468	2,842,269

7 INCOME TAX

(a) The income tax expense in the statement of profit or loss and other comprehensive income is determined in accordance with the policy set out in note 1(d). The major components of the income tax expense are:

	2016 $	2015 $
Current tax:		
Current tax on profits for the year	4,009,877	2,437,847
Deferred tax:		
Origination and reversal of temporary differences	(500,453)	(74,951)
Impact of change in tax rate	1,104,436	-
Total deferred tax	603,983	(74,951)
Income tax expense	$ 4,613,860	$ 2,362,896

(b) The prima facie income tax payable on the operating profit differs from the income tax expense figure in the financial statements and is reconciled as follows:

	2016 $	2015 $
Operating profit before tax	$ 16,086,779	$ 12,095,506
Prima facie tax	3,138,473	2,419,101
Tax effect of:		
- Sports fund contribution	-	(11,500)
- Employee taxation scheme	-	(147,279)
- Stock exchange listing expenses	(56,178)	-
- Non-deductible and other items	427,129	102,574
- Change in tax rate	1,104,436	-
Income tax expense	4,613,860	2,362,896
Movement in temporary differences	(603,983)	74,951
	4,009,877	2,437,847
Opening current income tax (asset)/ liability	118,009	(834,257)
Tax paid	(2,881,424)	(1,485,581)
Current income tax liability	$ 1,246,462	$ 118,009

Change in tax rate
Following the listing of the Company's shares on the South Pacific Stock Exchange, the applicable tax rate of 10% for listed companies applies. Accordingly, deferred tax balances have been restated at this new rate. The impact of the change in tax rate of $1,104,436 has been recognised in tax expense in profit or loss.

7 INCOME TAX – Continued

(c) Deferred income tax asset

The deferred income tax asset reflects the net effect of the following temporary differences at the current income tax rate of 10%:

	Plant and equipment $	Provisions $	Total $
At 1 April 2014	67,256	1,180,210	1,247,466
Charged / (credited) to profit or loss	105,967	(31,016)	74,951
At 31 March 2015	173,223	1,149,194	1,322,417
Acquisition of net assets of Vision Motors Limited, Vision Finance Limited and Mahogany Industries (Fiji) Limited	27,085	234,901	261,986
Effect of change in tax rate	(243,701)	(860,735)	(1,104,436)
Charged / (credited) to profit or loss	149,188	351,265	500,453
At 31 March 2016	$ 105,795	$ 874,625	$ 980,420
	=========	=========	=========

8 CAPITAL AND RESERVES

Authorised	$
At 1 April 2014 - 300,000 ordinary shares @ $1 each	300,000
Increase during the year – 99,700,000 ordinary shares @ $1 each	99,700,000
At 31 March 2015 – 100,000,000 ordinary shares @ $1 each	$ 100,000,000
Transactions during the period	-
At 31 March 2016 – 200,000,000 ordinary shares @ $0.50 each	$ 100,000,000
	=============

Issued and paid up	
At 1 April 2014 – 300,000 ordinary shares @ $1 each	300,000
Allotted during the year – 35,932,000 ordinary shares @ $1 each	35,932,000
At 31 March 2015 – 36,232,000 ordinary shares @ $1 each	$ 36,232,000
Allotted during the period – 12,468,000 ordinary shares @ $1 each	12,468,000
Allotted during the period – 6,369,425 ordinary shares @ $1.57 each	9,999,997
At 31 March 2016	$ 58,699,997
	=============

On 31 July 2015, it was resolved during a Shareholders' meeting to split shares by a factor of two.

Assets realisation reserve
The assets realisation reserve is used to record increments and decrements on the revaluation of non-current assets. In the event of a sale of an asset, any balance in the reserve in relation to the asset is transferred to retained earnings.

9 TRADE RECEIVABLES

	2016 $	2015 $
Current		
Gross trade receivables	51,127,343	45,079,954
Less: Unearned service charges	(6,544,961)	(6,601,611)
Present value of trade receivables	44,582,382	38,478,343
Provision for impairment loss	(1,306,875)	(305,678)
	$43,275,507	$38,172,665
	==========	=========

9 TRADE RECEIVABLES – Continued

	2016 $	2015 $
Non-current		
Gross trade receivables	15,949,525	16,351,765
Less: Unearned service charges	(2,724,058)	(3,052,418)
Present value of trade receivables	13,225,467	13,299,347
Provision for impairment loss	(2,134,029)	(2,933,463)
Present value of trade receivables	$ 11,091,438	$ 10,365,884

Trade receivables that are less than one month past due are not considered impaired. As of 31 March 2016, trade receivables of $15,044,207 (2015: $5,932,182) were past due but not impaired. The ageing analysis of these trade receivables is as follows:

	2016 $	2015 $
Over 1 month	6,518,139	2,733,570
Over 2 months	8,526,068	3,198,612
	$ 15,044,207	$ 5,932,182

As of 31 March 2016, trade receivables of $3,440,904 (2015: $3,239,141) were past due and collectively provided for based on certain impairment rates in line with Company policies. The collectively impaired receivables relate mainly to balances that were in dispute and include management's assessment of the likely loss from the impact of the adverse economic conditions on trade receivables. The ageing of these receivables is as follows:

	2016 $	2015 $
Over 1 month	151,131	142,861
Over 2 months	3,289,773	3,096,280
	$ 3,440,904	$ 3,239,141

Movements on provision for impairment of trade receivables are as follows:

	2016 $	2015 $
At 1 April	3,239,141	3,255,387
Additional provisions during the year	387,444	-
Provision for receivables impairment	(25,364)	(11,812)
Unused amounts reversed	(160,317)	(4,434)
At 31 March	$ 3,440,904	$ 3,239,141

The provision for impaired receivables has been included in administrative costs in the statement of profit or loss and other comprehensive income (page 11). Amounts charged to the provision account are generally written off, when there is no expectation of recovering additional cash.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Company holds title to the merchandise as security.

10 INVENTORIES

	2016 $	2015 $
Merchandise	30,682,133	30,359,887
Motor vehicles	7,635,327	-
Spare parts, tyres and lubricants	4,190,663	1,582,341
Raw materials – timber	2,059,971	-
Work in progress – furniture	400,564	-
Provision for impairment loss	(1,856,457)	(1,415,466)
	43,112,201	30,526,762
Goods in transit	3,519,339	4,933,372
	$ 46,631,540	$ 35,460,134

Inventories recognised as an expense during the year ended 31 March 2016 amounted to $82,726,286 (2015: $59,186,591). These were included in cost of sales.

11 PLANT AND EQUIPMENT

	Furniture & Fittings $	Motor Vehicles $	Leased Vehicles $	Work in Progress $	Total $
At 1 April 2014					
Cost	14,971,003	3,837,762	-	111,063	18,919,828
Accumulated depreciation	(9,748,049)	(2,483,311)	-	-	(12,231,360)
Net book amount	5,222,954	1,354,451	-	111,063	6,688,468
Year ended 31 March 2015					
Opening net book amount	5,222,954	1,354,451	-	111,063	6,688,468
Additions	1,346,669	698,833	-	210,237	2,255,739
Disposals	(21,098)	(32,191)	-	-	(53,289)
Depreciation charge	(1,878,512)	(541,273)	-	-	(2,419,785)
Closing net book amount	4,670,013	1,479,820	-	321,300	6,471,133
At 31 March 2015					
Cost	16,280,535	4,079,211	-	321,300	20,681,046
Accumulated depreciation	(11,610,522)	(2,599,391)	-	-	(14,209,913)
Net book amount	4,670,013	1,479,820	-	321,300	6,471,133
Year ended 31 March 2016					
Opening net book amount	4,670,013	1,479,820	-	321,300	6,471,133
Additions	2,676,060	1,988,457	6,713,633	476,047	11,854,197
Disposals	(357,423)	(173,611)	(69,787)	(59,941)	(660,762)
Transfers	117,459	-	-	(117,459)	-
Depreciation charge	(2,265,009)	(621,538)	(1,067,922)	-	(3,954,469)
Closing net book amount	4,841,100	2,673,128	5,575,924	619,947	13,710,099
At 31 March 2016					
Cost	18,716,631	5,894,057	6,643,846	619,947	31,874,481
Accumulated depreciation	(13,875,531)	(3,220,929)	(1,067,922)	-	(18,164,382)
Net book amount	$ 4,841,100	$ 2,673,128	$ 5,575,924	$ 619,947	$ 13,710,099

The depreciation policies adopted are set out in note 1(b).

11 PLANT AND EQUIPMENT - Continued

Depreciation expense is recognised in profit or loss within administrative costs, except for depreciation expense in relation to leased vehicles which is recognised within cost of sales.

12 INTANGIBLE ASSETS

Intangible assets are included in the financial statements on the following bases:

	Computer Software $
At 1 April 2014	
Cost	1,131,252
Accumulated amortisation	(831,798)
Net book amount	299,454
Year ended 31 March 2015	
Opening net book amount	299,454
Amortisation charge	(54,756)
Closing net book amount	244,698
At 31 March 2015	
Cost	1,131,252
Accumulated amortisation	(886,554)
Net book amount	244,698
Year ended 31 March 2016	
Opening net book amount	244,698
Additions	121,672
Amortisation charge	(51,869)
Closing net book amount	314,501
At 31 March 2016	
Cost	1,252,924
Accumulated amortisation	(938,423)
Net book amount	$ 314,501

13 RECONCILIATION OF CASH

(a) For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks net of bank overdraft. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2016 $	2015 $
Cash on hand and at bank	2,590,525	500,121
Bank overdraft	(7,573,737)	(8,561,266)
Total cash and cash equivalents	($ 4,983,212)	($ 8,061,145)

(b) Financing facilities

Bank overdraft facilities totalling $21,300,000 (2015: $12,000,000) were available to the Company as at the reporting date.

(c) Securities

Securities given over the overdraft facilities are disclosed in note 18.

14 EMPLOYEE BENEFITS

	2016 $	2015 $
Annual leave	713,620	574,906
Long service leave	360,157	300,000
Employee bonus	415,000	300,000
	$ 1,488,777	$ 1,174,906

15 RELATED PARTY TRANSACTIONS

(a) **Directors**

(i) The following were directors of the Company at any time during the financial year and up to the date of these financial statements:

Dilip Khatri
Navin Patel
Suresh Patel
Dinesh Patel
Satish Parshotam
Ratu Aisea Waka Vosailagi – appointed 29 February 2016
David Evans – appointed 29 February 2016
P L Munasinghe – resigned 29 February 2016
Suliano Ramanu – appointed 1 June 2016

(ii) For fees paid to directors, refer note 6.

(iii) Interests held by directors in the ordinary shares of the company, either directly or indirectly, are as follows:

	2016 No. of shares	2015 No. of shares
Dilip Khatri	2	1
Dinesh Patel	20,002	1
Satish Parshotam	2	1
Suresh Patel	2	1
Candle Investments Limited	6,384,332	3,593,199
Challenge Engineering Limited	19,521,053	10,779,599
Jacks Equity Investment Limited	19,152,980	10,779,599
R C Manubhai & Co Limited	19,784,907	10,779,599
Vision Group Limited	806,460	300,000

15 RELATED PARTY TRANSACTIONS – Continued

(b) Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. During the year the executives identified as key management personnel were the Chief Executive Officer, Director of Strategic Planning and Business Development, Director of Finance, Director of Retail Operations, Director of Procurement & IT, Director of Marketing and Advertising, Head of Corporate, Group Human Resources Manager, Group Audit & Systems Development Manager, Director of Credit, General Manager - Sportsworld, Senior Service Manager, General Manager - Vision Motors, General Manager - Mahogany Industries (Fiji) and Senior Distribution Manager.

The amount of compensation of the key management personnel recognised in profit or loss is as follows:

	2016 $	2015 $
Short-term employee benefits	$ 2,135,658 =========	$ 1,590,934 =========

2016 benefits are higher as it includes Vision Motors and Mahogany Industries (Fiji) executives for 9 months.

Some management personnel have interest either directly or indirectly, in the ordinary shares of the Company. This totalled 620,797 shares as at 31 March 2016 (2015: $ Nil).

(c) Transactions with director-related entities

Director-related entities are those entities which have common director(s) with the Company. The following summarises the material transactions the Company has with director-related entities:

- Vision Group Limited (VGL) – the Company charges management fees to VGL and its subsidiaries for provision of administrative and support services at the rate of $120,000 per annum.
- Vision Properties Limited (VPL) – the Company leases a number of properties from VPL for its retail businesses.
- Vision Services Limited (VSL) – Pursuant to a management agreement, the Company is charged a management fee at the rate of up to 1.25% plus VAT on the Company's annual turnover and other income and up to 1.5% plus VAT if the sum of annual turnover and other income exceeds $150 million. Additionally, an incentive fee is payable should the annual operating profit before tax exceed certain thresholds, commencing with $500,000 plus VAT if the operating profit before tax exceeds $16.5 million. Vision Services Limited has agreed to limit the management fee to $600,000 plus VAT per annum for the period 1 July 2015 to 31 March 2018, and to 0.6% of turnover for the period 1 April 2018 to 31 March 2020.
- Challenge Engineering Limited (CEL) – the Company leases a number of properties from CEL for its retail businesses.

The Company also transacts with other director-related entities as part of its normal business operations. The Company also had amounts owing to and by director-related entities (note 15(d) and 15(e)) where interest had been paid and received.

15 RELATED PARTY TRANSACTIONS – Continued

(c) Transactions with director-related entities – continued

The current year transactions arising from the above are as follows:

	2016 $	2015 $
Sales of various goods and services	2,233,656	1,160,972
Purchases of various goods and services	937,765	3,638,507
Interest expense on related party borrowings	508,468	2,842,269
Interest income on loans and advances to related parties	289,562	2,592,289
Management fees received	120,000	180,000
Management fees paid	600,000	515,000
Lease of store space	2,994,407	1,334,495
Legal fees	121,245	282,749

(d) Amounts owing by related parties

The Company held a number of loans, advances and other balances with various director-related companies last year. As part of the Company's listing process, these were cleared during the year.

	2016 $	2015 $
Current		
Year end balances arising from sales of goods and services:		
Courts (Tonga) Limited	$ -	$ 501,860
Non-current		
Loans and advances to related parties		
Vision Properties Limited	-	8,032,951
Vision Motors Limited	-	5,506,512
Mahogany Industries (Fiji) Limited	-	4,137,039
Denarau Investments Limited	-	4,547,510
Other balances	-	89,466
	$ -	$ 22,313,478

(e) Amounts owing to related parties

	2016 $	2015 $
Loans and advances from related parties:		
Evergreen Investments Limited	-	12,583,851
Vision Group Limited	-	7,349,172
Other balances	250,410	251,075
	250,410	20,184,098
Amount owing for provision of services	-	946,948
	$ 250,410	$ 21,131,046

15 RELATED PARTY TRANSACTIONS – Continued

(e) Amounts owing to related parties – Continued

On 1 July 2015, Evergreen Investments Limited forgave its loan to the Company and the amount was thereafter distributed as capital gain to the shareholders.

Amounts owing to related parties are repayable on demand. These are classified as non-current on the basis that they are repayable no early than 12 months from period end due to letters of support received from the related parties. Due to their short maturity, the effect of discounting on these amounts is not considered to be material and the loans are, therefore, stated at face value. These balances were settled during the year.

16 CAPITAL AND OTHER COMMITMENTS

(a) Operating lease expenditure and commitments

The company leases a number of properties from external and related parties.

Total commitments for future lease rentals, which have not been provided for in the financial statements are as follows:

	2016 $	2015 $
Due		
- not later than one year	3,475,830	3,832,765
- later than one year and not later than five years	9,735,511	10,098,371
- later than 5 years	6,031,730	5,850,330
	$ 19,243,071	$ 19,781,466

(b) As at 31 March 2016, capital expenditure commitments for the Company amounted to $Nil (2015: $ Nil).

17 CONTINGENT LIABILITIES

The Company does not have any contingent liabilities.

18 BANK OVERDRAFT AND BORROWING

The borrowings include loan facilities with Westpac Banking Corporation, amounting to $42.4 million (2015: $61.2 million) of which $31.9 million (2015: $44.5 million) has been drawn. The Company also holds bank overdraft facilities amounting to $21.3 million (2015:$12 million) of which $7.6 million (2015: $8.6 million) has been utilised.

The loans are subject to interest only repayments, due for full repayment on 30 April 2017 and are renewable subject to the Company meeting normal banking criteria.

The loan permits repayments at rates higher than as scheduled. Repayments in excess of cumulative scheduled amounts are available for re-draw if required, and no repayments are required during such time as excess repayments exceed cumulative scheduled repayments.

At year end, there was no amount in excess of scheduled repayments.

The overdraft and loan facilities of the Company with Westpac Banking Corporation are secured by a registered fixed and floating charge over the Company and Guarantees provided by the Company's four founding shareholders' companies.

19 EARNINGS PER SHARE – BASIC & DILUTED

Basic earnings per share
Basic earnings per share is determined by dividing the profit for the year of the Company by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share
Diluted (loss)/earnings per share is determined on the same basis as above as the Company does not have any convertible instruments, options, warrants or ordinary shares that will be issued upon the satisfaction of specified conditions.

	2016	2015
Profit for the year	$ 11,472,919	$ 9,732,610
Weighted average number of ordinary shares used to compute earnings per share	78,779,474	496,888
Basic and diluted earnings per share	$ 0.15	$ 19.59
	===========	===========

20 PRINCIPAL ACTIVITIES

The principal activities of the Company are the sale of furniture, household electrical items, general merchandise and the financing of these products at a margin, manufacture of furniture and joinery works; and trading, leasing and repair of motor vehicles, vehicle rentals and spare parts.

21 INCORPORATION AND REGISTERED OFFICE

The Company is incorporated and domiciled in Fiji and its registered office is located at:

Level 2 Vivrass Plaza
Lot 1 Corner of Ratu Dovi Road and Kaua Road
Laucala Beach Estate
Suva

In accordance with a shareholders' resolution of 31 March 2015, the company's Articles of Association was repealed and replaced with the Second Schedule, Table A Regulations of the Companies Act as amended, to change the company from a private company to a public company.

22 EVENTS SUBSEQUENT TO BALANCE DATE

On 16 April 2016, the Navua branch of Courts suffered extensive fire damage. The Company is adequately insured for material damage and business interruption.

On 13 June 2016, the Company commenced providing insurance products as agents of The New India Assurance through the Company's retail branches including vehicle third party and comprehensive insurance, contents and property.

On 17 June 2016, the Company declared additional interim dividends of $0.06 per share totalling $6,060,134.

Apart from the above matter and other matters specifically referred to in the financial statements, there has not arisen in the interval between the end of the financial year and the date of this report any items, transaction or event of a material and unusual nature likely, in the opinion of the Board, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company.

23 ACQUISITION OF BUSINESSES

On 1 July 2015, the Company acquired the transferrable business assets and liabilities of its then fellow subsidiaries Vision One Limited (formerly 'Vision Finance Limited'), Vision Two Limited (formerly 'Vision Motors Limited') and Vision Three Limited (formerly 'Mahogany Industries (Fiji) Limited') as part of a capital re-organisation prior to the Company being listed on the South Pacific Stock Exchange.

The table below summaries the consideration paid and the assets acquired and liabilities assumed and recognised at the acquisition date.

	$
Consideration	
Net cash settled	$ 517,494
	===========
Net assets acquired	
Cash on hand and at bank	272,211
Trade receivables	1,877,906
Inventories	13,618,004
Other receivables and prepayments	2,202,488
Deferred tax assets	261,985
Plant and equipment	10,864,103
Trade payables	(1,581,498)
Other payables and accruals	(2,060,550)
Employee benefits	(11,435)
Bank overdraft	(8,482,991)
Intercompany loans	(10,069,290)
Bank loans	(6,373,439)
	$ 517,494
	===========

Net cash settled reconciled in the statement of cash flows as follows:

Payment for acquisition of net assets of Vision Motors Limited, Vision Finance Limited and Mahogany Industries (Fiji) Limited	1,550,569
Amounts included in net intercompany payments	(1,033,075)
Net cash settled	$ 517,494
	===========

24 SEGMENT INFORMATION

(a) Description of segments and principal activities

The Company's chief decision makers comprise of the executive committee who examine the Company's performance and have identified two reportable segments of its business:

(i) **Retailing** - comprises sale of furniture, household electrical items, general merchandise and the financing of these products at a margin.

(ii) **Automotive** - comprises sales of motor vehicles, spare parts, tyres lubricants, leasing and repair of motor vehicles.

The Company operates only in the geographical segment of Fiji.

The chief decision makers primarily use a measure of adjusted earnings before interest, tax, depreciation and amortisation (EBITDA) to assess the performance of the operating segments. However, the executive committee also receives information about the segments' revenue and assets on a monthly basis.

24 SEGMENT INFORMATION – Continued

(b) Primary reporting – business segments

	Retailing	Automotive	Inter Segment	Total
31 March 2016	**$**	**$**	**$**	**$**
External operating revenue	121,678,794	17,277,960	(4,260,404)	134,696,350
Total assets	118,137,257	18,890,957	(11,117,839)	125,910,375
Total liabilities	47,051,219	17,847,550	(6,425,701)	58,473,068

	Retailing	Automotive	Inter Segment	Total
31 March 2015	**$**	**$**	**$**	**$**
External operating revenue	104,154,847	-	-	104,154,847
Total assets	121,653,329	-	-	121,653,329
Total liabilities	84,504,438	-	-	84,504,438

VISION INVESTMENTS LIMITED
DISCLAIMER ON UNAUDITED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2016

The additional unaudited supplementary information presented on page 39 and 40 is compiled by the Board of Vision Investments Limited. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

We advise that neither the firm nor any member or employee of the firm accepts any responsibility arising in any way whatsoever to any person in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.

PricewaterhouseCoopers

28 June 2016
Suva, Fiji

PricewaterhouseCoopers
Chartered Accountants

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KEY DISCLOSURES

Listing requirements of the South Pacific Stock Exchange (not included elsewhere in this Annual Report)

a) Disclosure under section 6.31(v) of the Listing Rules

Holding			No. of Holders	% Holding
Less than 500 shares			4	0.0000077
501	to	5,000 shares	139	0.32
5,001	to	10,000 shares	66	0.59
10,001	to	20,000 shares	19	0.29
20,001	to	30,000 shares	5	0.13
30,001	to	40,000 shares	Nil	Nil
40,001	to	50,000 shares	3	0.14
50,001	to	100,000 shares	5	0.27
100,001	to	1,000,000 shares	7	2.21
Over 1,000,000 shares			9	96.05
Total			**257**	**100%**

b) Disclosure under section 6.31 (iv) of the Listing Rules

Details of Directors and Senior Management who hold shares directly or indirectly in Vision Investments Limited are as follows:

Name : Directors	Direct Interest (No. of Shares)	Indirect Interest (No. of Shares)
Dinesh Patel (Indirect Interest - RC Manubhai & Company Limited)	2	19,804,907
Suresh Patel (Indirect Interest - Challenge Engineering Limited)	2	19,521,053
Dilip Khatri (Indirect Interest - Jacks Equity Investment Limited)	2	19,152,980
Satish Parshotam (Indirect Interest - Candle Investments Limited)	2	6,384,332
Dinesh Patel, Suresh Patel, Dilip Khatri, Satish Parshotam (Indirect Interest - Vision Group Limited)	-	806,460

Related Parties

Navin Patel is a director and shareholder of Jacks Equity Investments Limited and a director of Vision Group Limited and these companies held 19,152,980 and 806,460 ordinary shares respectively in Vision Investments Limited as at the date of this report.

Name : Senior Management	Direct Interest (No. of Shares)	Indirect Interest (No. of Shares)
Ajay Lal	569,276	-
Maria Sandys	10,021	-
Tarun Patel	-	6,000
Niraj Kumar Bhartu	5,000	-
Sanjesh Prasad	5,000	-
Anil Senewiratne	3,000	-
Ritnesh Narayan	10,000	2,500
Vinod Kumar	10,000	-

Listing requirements of the South Pacific Stock Exchange (not included elsewhere in this Annual Report) (Continued)

c) Disclosure under section 6.31 (iv) of the Listing Rules

Details of shareholdings of those persons holding twenty (20) largest blocks of shares;

Shareholder Name	No. of Shares	% Holding
RC Manubhai & Company Limited	19,784,907	19.07
Challenge Engineering Limited	19,521,053	18.81
Jacks Equity Investment Limited	19,152,980	18.46
Fiji National Provident Fund Board	15,565,415	15.00
BSP Life (Fiji) Limited	7,006,369	6.75
Candle Investments Limited	6,384,332	6.15
International Finance Corporation	6,369,425	6.14
Unit Trust of Fiji (Trustee Company) Ltd	4,458,598	4.30
FHL Trustees Limited ATF Fijian Holdings Unit Trust	1,430,000	1.38
Vision Group Limited	806,460	0.78
Ajay Lal	569,276	0.55
Praful Patel Investments Pty Ltd (P & A Patel Superfund A/C)	220,000	0.21
Harikisun Limited	210,000	0.20
Na Hina Limited	200,000	0.19
Herbert and Diane Powell	170,000	0.16
Sanjay Lal Kaba	120,000	0.12
Tevita Peni Mau	60,289	0.06
Mualevu Tikina Holdings Ltd	56,416	0.05
Vanuabalavu Holdings Limited	56,416	0.05
Dr. Jayant Patel & Dr. Nirmalaben Patel	56,320	0.05
Total Shares	**102,198,256**	**98.49%**

The Information Memorandum issued in connection with the Listing of the Company on the South Pacific Stock Exchange stated that the Founder Shareholders had entered into an Agreement dated 6 November 2015 agreeing to collectively hold a minimum of 60% of the shareholding in the Company for a period of 5 years, and to maintain the pre-listing shareholding proportion amongst the four Founder Shareholders for that period.

Consequent to the listing of the Company on 29 February 2016, the sale of shares by the Founder Shareholders to institutional and individual shareholders were not in proportion to the respective shareholdings, resulting in a shareholding disproportionate to that agreed between the Founder Shareholders.

The Company made a Market Announcement on 28 May 2016 that subsequent to the above, the Founder Shareholders agreed to a share sale and purchase transaction through special crossings to bring their shareholding to the agreed proportion. Following the special crossing executed on 28 May 2016, the shareholding proportion amongst the four Founder Shareholders as at the date of this report is as follows:

Shareholder Name	No. of Shares	% Holding
RC Manubhai & Company Limited	19,406,459	18.70
Challenge Engineering Limited	19,406,459	18.70
Jacks Equity Investment Limited	19,406,459	18.70
Candle Investments Limited	6,468,823	6.23

CORPORATE GOVERNANCE

ROLE OF THE BOARD

The Board of Directors ("Board") is elected by the Shareholders to oversee the management of the Company and to direct performance in the best interest of the Company and its Shareholders. The focus of the Board is to create long term shareholder value with due regard to interest of other stakeholders and ensuring the Company is managed in accordance with best practice and high level of Corporate Governance.

The principle responsibilities of the Board are to:

- Establish the Company's objectives and review the major strategies for achieving these objectives;
- Establish an overall policy framework within which the Company conducts its business;
- Review the Company's performance including approval of and monitoring against budget;
- Ensure that Company financial statements are prepared and presented to give a true and fair view of the Company's financial position, financial performance and cash flows;
- Review performance of senior executives against approved objectives and key performance indicators;
- Ensure effective policies and procedures are in place to safeguard the integrity of the Company's financial reporting;
- Ensure that any significant risks facing the Company are identified and that appropriate risk management programs are in place to control and report on these risks;
- Ensure that the Company operates in accordance with laws, regulations, rules, professional standards and contractual obligations; and
- Report to Shareholders and other key stakeholders.
- Appointment of Board Subcommittees
- Appointment of the Chief Executive Officer position

BOARD CHARTER

The Board has put in place a Board Charter that specifies the powers and responsibilities of the Board. As per this Charter, the Board shall consist of no fewer than 6 members of which 1/3 of the members shall be Independent Directors as defined in the South Pacific Stock Exchange rules and regulations. A minimum of four Directors Meetings must be held every year and the quorum for the meeting is four members, out of which one member must be an Independent Director.

The Board met on the date of listing (29th February, 2016) where all Directors were present, including the independent Directors who were appointed on that date.

The Charter provides that the Board will undertake self-assessment and review of the performance of the Chairman and individual Directors and Board Subcommittees.

CODE OF CONDUCT AND ETHICS FOR THE BOARD

The Board has put in place a Code of Conduct and Ethics for the Board to promote high ethical standards, professionalism, accountability and responsible decision making in the conduct of affairs of the Company.

BOARD MEMBERSHIP

The Company's Articles of Association sets out the rules on the appointment and removal of Directors. The Articles specify the Company should have a minimum of 3 Directors although the Board Charter adopted by the Board, specifies a minimum of 6 Directors. The SPSE rules and regulations specify that 1/3 of the Directors shall be Independent Directors. Currently the Board consists of 8 Directors. 5 Directors are Founder Shareholder Directors, 2 Directors are Independent Directors and 1 Director nominated by the significant shareholder Fiji National Provident Fund.

Under the Articles of Association, 1/3 of the Directors must retire by rotation at the Annual General Meeting each year, but if eligible, may offer themselves for re-election.

BOARD COMMITTEES

The Board has constituted and put in place 3 Subcommittees to provide specific input and guidance in particular areas of Corporate Governance.

- Nominating and Governance Committee
- Audit, Finance and Risk Committee
- Remuneration and Human Resource Committee

The Committees operate under specific Charters put in place by the Board. In order to fulfill its responsibilities, each Committee is empowered to seek any information it requires from employees and to obtain such independent legal or other professional advise it may deem necessary.

NOMINATING AND GOVERNANCE COMMITTEE CHARTER

The Committee consists of at least 4 Directors and to meet as and when required but at least once every year, and the quorum at a meeting must be at least 3 members. The principal responsibilities of the Committee include guiding the Board on Corporate Governance, advising on the size, composition and structure of the Board and Subcommittees, nomination and orientation of Directors, assessing the effectiveness of the Board Subcommittees, recommending fees to be paid to Directors and Chairman and recommending appointment of CEO position and terms of remuneration. The proceedings of the Committee are reported to the Board.

AUDIT, FINANCE AND RISK COMMITTEE CHARTER

The Committee comprise of 3 Directors, majority of whom shall be Independent Directors. The Committee meets minimum four times every year and a quorum at the meeting must be 2 members. The primary responsibilities of the Committee are overseeing the integrity of the Company's financial statements, financial reporting processes, financial statement audits, compliance to legal and regulatory requirements, internal controls, risk management processes, internal audit and managing the relationship with the external auditors. The proceedings of the Committee are reported to the Board.

REMUNERATION AND HUMAN RESOURCE COMMITTEE CHARTER

The Committee comprise of 3 members of the Board. The Committee meets as and when required but at least once every year and the quorum at a meeting must be 2 members.

The primary responsibilities of the Committee are overseeing appropriate human resource policies and practices, establishment of policies and programs to attract, retain and motivate key employees, professional development of Senior Executives, overseeing compensation plans for the Chief Executive Officer and senior executive positions. The proceedings of the Committee are reported to the Board.

SHAREHOLDER CHARTER

The Board has put in place a Shareholder Charter which underpins the approach of the Board in serving the interest of the Shareholders. The principles in the Charter comprise delivering long term returns and values to Shareholders, good Corporate Governance, maintaining clear and open communication with Shareholders and the market, facilitating constructive Shareholder meetings and ethical and responsible decision making.

REGISTER OF INTEREST

The Board has put in place a Register of Interest Policy for Directors. Under this policy the Directors are required to disclose any interest they may have in matters relating to the affairs of the Company. All interests declared are maintained in a Register of Interest & Conflict.

COMMUNICATIONS AND PUBLIC DISCLOSURES

The Board has put in place a Communication and Public Disclosure Policy. This is to ensure effective communication to the Company's Shareholders and the market. The Policy is to ensure key financial and material information is communicated to the market in a clear and timely manner. The Policy specifies information that needs to be classified as material and procedures for release of information to the market. A Committee of 3 executives have been nominated to administer compliance to this Policy.

PREVENTION OF INSIDER TRADING

The Board has put in place a Prevention of Insider Trading Policy. The purpose of the policy is intended to prevent both intentional and unintentional acts of prohibited insider trading, maintenance of confidentiality of price sensitive information relating to the listed security and promote compliance to Reserve Bank of Fiji Capital Markets Supervision Policy Statement No.10

RISK MANAGEMENT

The Board has put in place an Enterprise Risk Management Framework to identify and manage the risks the Company faces in the operating environment. These risks include:

1. Financial risks

This relates to the balance sheet structure, income statement (profitability) structure, credit risk, liquidity, market risks and foreign exchange risk;

2. Operational risks

This relates to internal fraud, external fraud, employment practices and OHS issues, innovation of products and business services, damage to physical assets, business disruption and system failures (technological risks), process management risk;

3.Business risks

This relates to risk in financial infrastructure, legal liability, regulatory compliance, competition, reputational and fiduciary risk;

4. Event risks

This relates to political risks, contagion, banking crisis and other exogenous factors;

5. Environmental risks

This relates to the threats that the Company may pose to the environment such as improper waste disposal, vehicle exhaust fumes emission, improper use and storage of ozone depleting substances, spillage of toxic substances and pollution.

INTERNAL AUDIT

The Company has in place an internal audit function and separate department. The internal audit function reports to the Audit, Finance and Risk Committee.

Each year the internal audit programme is approved by the Committee. The programme of audits considers the most significant areas of business risk and is developed following discussions with senior management and the review of the business processes and findings of the strategic risk assessment.

The role of the internal audit is to:

- Assess the effectiveness of operational and accounting internal controls
- Provide the Board an independent assessment of the Company's internal controls, business processes and operating risks
- Assist the Board in meeting its Corporate Governance and regulatory responsibilities

MEETINGS OF THE BOARD

During the financial year the Board met twice and the Directors attendance are noted in the table below.

Directors	Number of meetings	Number attended	Apologies received
Dilip Khatri	2	2	-
Navin Patel	2	2	-
Suresh Patel	2	2	-
Dinesh Patel	2	2	-
Satish Parshotam	2	1	1
P L Munasinghe	2	2	-
David Evans	-	1 (In attendance)*	-
Ratu Aisea Waka Vosailagi	-	1 (In attendance)*	-

*Mr David Evans and Ratu Aisea Waka Vosailagi were appointed as Directors on the 29th of February 2016, immediately after the listing of the Company on the SPSE.

CORPORATE DIRECTORY

List of Directors:

1.	Mr Dilip Khatri	(Chairman)
2.	Mr Navin Patel	(Deputy Chairman)
3.	Mr Suresh Patel	
4.	Mr Dinesh Patel	
5.	Mr Satish Parshotam	
6.	Mr David Evans	(Independent)
7.	Ratu Aisea Waka Vosailagi	(Independent)
8.	Mr Suliano Ramanu	

Solicitors:

Parshotam Lawyers
Sherani & Co
Howards Lawyers

Auditors:

PricewaterhouseCoopers (PWC)

Bankers:

Westpac Banking Corporation (WBC)

Company Secretary & Chief Executive Officer:

Mr P L Munasinghe

Registered Office:

Level 2 Vivrass Plaza
Lot 1 Corner of Ratu Dovi Road and Kaua Road
Laucala Beach Estate
Suva

Telephone number:

Telephone number:	3381 333
Email:	info@vil.com.fj
Website:	www.vil.com.fj

Security Register:

Security Register:
Central Share Registry Limited (CSRL)
FNPF Boulevard
Plaza 1, Level 2
33 Ellery Street
Suva
Telephone number: 3304 130