

FIJIAN HOLDINGS
UNIT TRUST

While I Live, I Grow

*Reaching
your target
and growing
with results.*



Summary Report 2014



During the year the FHUT portfolio grew to \$59.965 million compared to \$45.773 million in FY 2013 which is a 31.00% growth. The total number of unit holders increased from 3,115 to 4,469 an increase of 43.00%.

Dear Unit Holders

It is with great pleasure to announce that Fijian Holdings Unit Trust (FHUT) net income for distribution is \$3.204 million was made available to the unit holders for the financial year ending June 2014 as compared to \$2.427 million in June 2013 which is an increase of 32.00%. We have concluded another year of customer centered service for our customers, the unit holders to make FHUT an investment product of choice.

Effective from 1 January 2014, FHUT has reduced the minimum initial entry for joining the fund and the dividend entitlement from 250 units to 100 units. The decision for the reduction was to make it more accessible to all individuals to start an investment and assist to grow their wealth over time.

Our overall financial performance has been robust despite the intense competition faced from other fund manager.

Economic Outlook

During the year, Fiji's Economy grew by an estimated 4.60% better than initially forecasted. For the coming year this figure is expected to increase by 3.80%. There was low inflation and continuing low bank interest rates. During the year the Fiji Government demonstrated a consistent policy of aggressively investing in infrastructure and transportation network. The successful upgrades provided by infrastructure together with good socio economic policy is a key enabler of a sustainable, vibrant economy that will generate economic growth.

Five Year Strategic Plan

FHL Fund Management Limited (FHL FML) the manager of FHUT has completed the 5 year Strategic Plan on the premise of a vibrant economy and the adoption of the Capital Markets Development Master Plan 2020 which aims to "increase the number of adult investors in the capital markets to 100,000 by 2020".

FHL FML is currently engaged in the development of a new registry system which will automate the unit creation process and the data management system. We have also identified sales and marketing strategies to grow the total number of unit holders and the FHUT portfolio.

FHUT Results

During the year the FHUT portfolio grew to \$59.965 million compared to \$45.773 million in FY 2013 which is a 31.00% growth. The total number of unit holders increased from 3,115 to 4,469 an increase of 43.00%. The growth in the portfolio and the number of unit holders are a direct reflection of the high liquidity in the banking system and the robust sales and marketing strategies adopted by the team. FHUT paid out a record dividend of \$3.175 million compared to \$2.421 million in FY 2013 which is a 31% increase in dividend payout. The dividend return for the same period was 5.54% and a positive growth return of 0.40%. The fund has paid out a total of \$19.00 million in dividends to unit holders since its inception. The positive result was achieved despite the challenging economic condition.

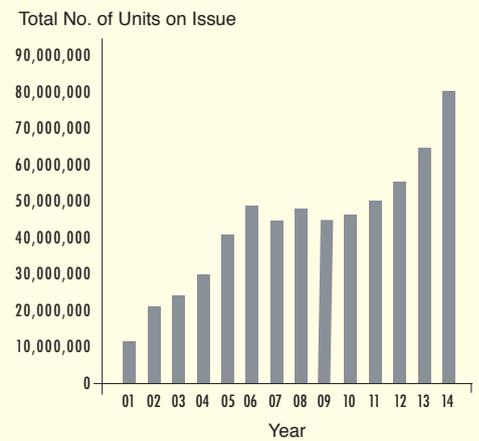
Investments

In the quest for new investment FHUT has partnered with Rittam Investment Limited a subsidiary of P Meghji Limited with the development of the former Amanuca Resort on Tokoriki Island which is currently managed by Sheraton Hotels. This investment shows the Board and the Trustees confidence in the tourism Industry.

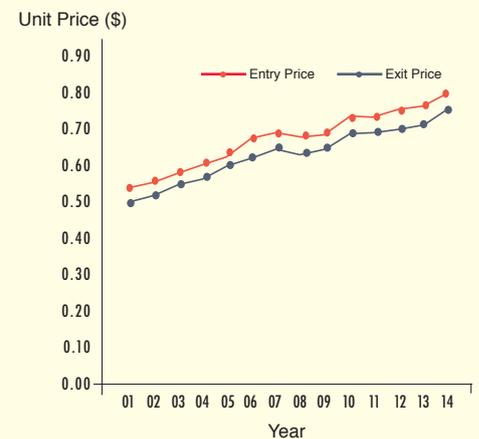


Financial Highlights

Units On Issue



Unit Price

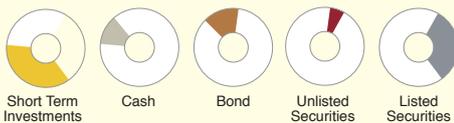
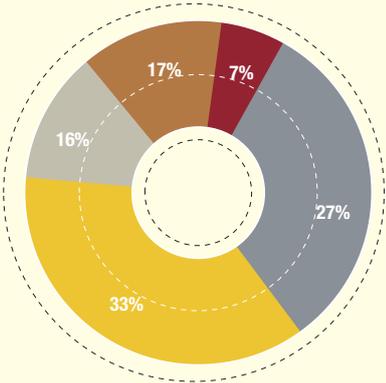


Financial Highlights

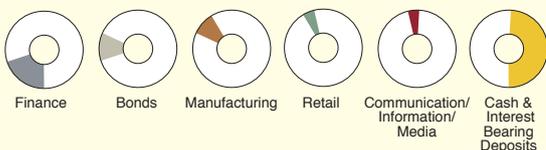
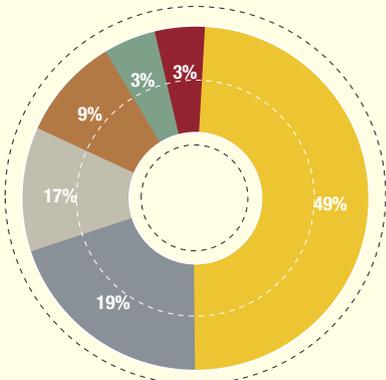
Returns To Unitholders



Investment Portfolio (Market Value)



Portfolio By Sector



Future

During this financial year a significant number of changes and reviews were undertaken on the fund administration and the investment portfolio. The New Year will see the implementation of the new initiatives to improve service delivery to our unit holders and to improve the accessibility of the fund to investors. These new initiatives will drive FHUT to be an investment product of choice to all Fijians. FHL FML anticipates that the 2015 will be another challenging year however we are mindful of the expectations of unit holders and we will continue to work towards providing unit holders with a competitive return in this challenging investment market.

Appreciation

It is my pleasure to extend my profound appreciation to our unit holders past and present for their continued confidence in the fund which is the key to the success of FHUT.

We would like to thank the service providers for their continued cooperation in promoting the FHUT product. The dedicated and diligent management team of FHL FML for their tireless commitment and passion to drive the fund and achieving the desired results.

Finally I would like to record my appreciation of my fellow Directors for their support and valuable contributions during the year. On behalf of FHL fund Management Limited, a sincere appreciation is extended to my fellow Directors who have resigned during year, namely, Ulaiyasi Baya, Colonel (Retired) Sakiusa Raivoce, Paulo Vanualailai, and Ratu Samu Nawalowalo. I also welcomed the new directors Mr. Robin Yarrow, Nouzab Fareed and Catherine Grey.

Ulaiyasi Taoti
Chairman,
FHL Fund Management Limited

FHL Fund Management Limited General Manager's Report



FHUT delivered a positive total return of 5.94% which is made up of 5.54% in distribution (dividend) return and 0.40% in growth (capital) return.

At the beginning of July 2013 the name of the Fund Manager changed from Fijian Holdings Trust Management Limited (FHTML) to FHL Fund Management Limited (FHL FML).

The 2014 financial year marked another period of significant achievements for Fijian Holdings Unit Trust (FHUT) delivering another year of robust growth. This year, as the fund concluded its thirteenth year of operations, I am pleased to report that FHUT'S total portfolio value has grown to \$59.97 million as compared to \$45.77 million in June 2013, an increase of 31% due to positive unit sales. This commendable increase due to the investor growing confidence in the fund.

Operating Environment

The world economy is expected to grow by 3.0% as forecasted by the International Monetary Fund (IMF) led by improved demand in advanced economies and China, and the subsequent export led rebound in other emerging market economies.

On the domestic front, the economy is expected to grow by 3.60% following a 1.70% growth in 2012. Over the year, domestic activities continue to strengthen broadly as a result of increased consumption and investment spending.

While I Live, I Grow

Financial Performance

FHUT delivered a positive total return of 5.93% which is made up of 5.54% in distribution (dividend) return and 0.40% in growth (capital) return. This is a commendable increase of 112% from the previous year considering the extremely challenging economic and operating environment. This result was achieved through robust sales and positive revaluation of our portfolio.

Furthermore, I wish to highlight that the strong portfolio performance proven by the growth of FHUT under management from inception to date, has seen the fund pay out total dividends amounting to \$19.50 million. FHUT also distributed its highest dividend payout in terms of dollar value of \$3.18 million compared to \$2.42 million in 2013 which represents a 31% increase.

Sales & Marketing

With the introduction of the 2020 plan by the Reserve Bank of Fiji in 2012 which focus on Micro finance and the Capital Market. The national target is to achieve 100,000 investors in the Capital Markets by the year 2020. Management has adopted strategies which has resulted in the growth of the new investors by 1,564 to 4,469 in FY14 compared to 3,115 in FY13. This represents a growth of 43%.

We are committed to ensuring that our product is made available and accessible throughout the rural Fiji, and also to overseas customers. We aspire to target this market through the extensive use of print, voice and electronic media. We continue to strive for 100% coverage of the whole of Fiji in promoting investment awareness and appreciation of the FHUT product.

Investment

During the year, Management was faced with a major challenge of finding good investment opportunities to invest its funds in. The high liquidity in the economy had caused the Institutional clients to move their funds to investment products like FHUT where the interest rate were very attractive and above the market rates.

In comparison to the last financial year's result (2013) the value of the listed equities which accounts for 7% of FHUT total portfolio. FHUT had bought shares in three listed stocks namely Amalgamated Telecom Holdings Limited (ATH) of 275,299 shares, Rice Company of Fiji Limited (RCF) of 17,152 shares and VB Holdings Ltd (VBH) of 100,000 shares. An independent valuation was carried out for unlisted equities which accounts for 27% of the FHUT portfolio as at the end of June 2014.

The notable changes were the positive revaluation of shares in all the unlisted equities in Merchant Finance & Investment Company Limited, Golden Manufacturing Limited, New World Supermarkets Limited and Data Bureau Limited.

There were slight reductions in both the value of bonds and the short term deposits recorded by the fund.

Trust Administration

Management is currently working on a new registry system for the fund. The new system has an expanded scope to meet the future challenges for the fund. The system is currently developed by a local service provider.

Compliance

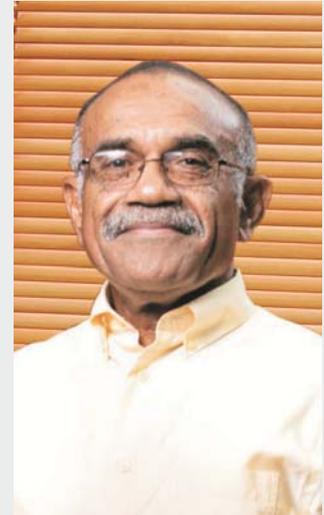
During the year the Compliance committee met to deliberate on complaints received during the period. All complaints were appropriately dealt with and corrective measures implemented to avoid these issues happening in the future. The Fund has complied with all mandatory reporting requirements for the financial year.

Service Providers

We have recruited two new individual persons as service providers for FHUT namely Mr. Praful Patel and Mr. Deven Magan. These two people have Investment Advisors license by the Reserve Bank of Fiji.

We wish to highlight that service providers are audited twice a year to ensure funds are received by them are accurately accounted for. During the same audit, Management also conducts

FHL Trustees Limited - Director



Sakiasi Seru
Chairman

Sakiasi Seru is a Chartered Engineer and a member of the Institute of Electrical and Electronic (MIEE) UK. He graduated with BSc in Electronics & Computer Engineering (UK), Diploma in Telecommunication Management (UK) and attended Kellogg Business School (North Western University). He is a former Acting CEO of Telecom Fiji Limited. Sakiasi has over 38 years' experience in the telecom industry and 22 years of which he held various senior management positions at Telecom Fiji Limited. He was previously a board member of Airport Fiji Limited, Xceed Pasifika Limited and Internet Services Fiji Limited.

FHL Trustees Limited - Director



Arun Kumar Narsey
Director

Arun Narsey is a Chartered Accountant by Profession and practices under the name styled as A M Narsey & Co., Chartered Accountants. He has over 30 years' experience in the field of professional accounting holding various senior and management positions with KPMG (locally and internationally) and Ernst & Young. He is a member of the Fiji Institute of Accountants and the Institute of Chartered Accountants in Australia. Arun is currently a director of Amalgamated Telecom Holdings Limited, FHL Properties Ltd, Fiji Directories, a Local Advisory Board Member of Bank of Baroda, and a Commissioner with Fiji Higher Education Commission. Arun also serves on the management board of Jai Narayan College and honorary auditor of Fiji Society for the Blind. He has previously served as a board member of Telecom Fiji Limited, Chairman of XceedPasifika Limited and a Board Member of Maritime & Ports Authority of Fiji.

training to enable the service providers to better serve our unit holders. A total of ten training sessions were undertaken during the year.

The Year Ahead:

FHL FML is committed to proactively manage and grow FHUT portfolio to ensure that the managed funds continue to attract the highest returns which will lead to attractive and sustainable dividends to our unit holders.

I acknowledge the continued assistance and commitment of our service providers, ANZ Bank, ANZ Internet banking, BSP Internet banking, WBC Internet banking, BRED Internet banking, Merchant Finance & Investment Co, Ltd, Post Fiji Ltd, FHL Securities Ltd, Fiji Stock Brokers Ltd and Kontiki Stockbroking Ltd in promoting the FHUT product.

In addition, the achievement of FHUT during the financial year would not have been possible without the support of the FHL FML board members. Our sincere appreciation to the Directors of FHL Trustees Ltd for their professional advice and support. The outstanding portfolio growth with FHUT is also attributed with the continuous support from Fijian Holdings Limited through the Group Chief Executive Officer, Mr. Nouzab Fareed, the executive team at FHL and the dedicated and committed staff of FHL FML.

Finally and most importantly, I take this opportunity to thank all our unit holders for their continued confidence in our service and product. The protection of your hard earned funds and the achievement of competitive returns for our unit holders remain our core purpose.

Sowani Tuidrola
General Manager,
FHL Fund Management Limited

FHUT Investment Portfolio

Equity Investments

FINANCE

The finance sector makes up 23.17% of the FHUT Portfolio, which is the investment in Merchant Finance & Investment Company Limited.

Merchant Finance & Investment Limited FHUT Portfolio 17.79%

The year was another challenging one for Merchant Finance with continued high market liquidity, increased competition and subdued credit demand. The high market liquidity continued to provide challenges to financial institutions on how to utilize those funds to get a return on them.

Despite these challenges, Merchant Finance had a very good year with another record pre-tax profit of \$9.8 million for the year, compared to F\$9.1 million registered the year earlier; a record up to that time.

The company continued to meet prudential requirements set by the Reserve Bank of Fiji for licensed credit institutions and is well capitalized with a strong liquidity position.

Apart from delivering a record profit, Merchant Finance increased its human resource capacity by providing staffs with the best training and education to carry out the roles they serve within the company. Managers were encouraged to undertake management development training and staffs were also encouraged to pursue advanced academic qualifications to complement/develop their skills. Succession planning initiatives are in place to ensure that business thrives together with the proficiency of staff.

Being a good corporate citizen, the company contributed to providing employment to the large pool of University graduates that are looking for employment. Graduate trainees and attachees now contribute to the services offered by the company Fiji wide.

To continue offering exceptional service to customers, the company opened a new branch at Damodar City Complex, Suva, during the second half of the year. A strategic move was to establish this separate branch for Corporate and Rural customers in response to the increasing demand from the growing clientele. The new branch has increased business service accessibility, exposure and visibility for the company in the financial market.

In the coming year the company anticipates competition to intensify with competitive entrants and new products. Merchant Finance is well positioned to counter these competitions with its continuous product review and tailoring of financial solutions to suit our customers and vehicle dealers. Furthermore the company will be reviewing its Strategic Plan and related strategies to ensure that its business model is refined to complement its competitive edge and at the same time made sustainable for the current economic environment.

BSP Convertible Notes Limited FHUT Portfolio: 0.78%

BSP Convertible Notes Limited is a special purpose financing vehicle which issues debt. The company was formerly known as Tourmaline Limited and changed its name to BSP Convertible Notes Limited in October 2009. BSP Convertible Notes Limited was incorporated in 2006 and is based in Suva, Fiji. BSP Convertible Notes Limited operates as a subsidiary of Bank of South Pacific Limited.

RETAIL

The retail sector is one of the fastest growing sectors in Fiji and currently makes up 3.40 % of the FHUT portfolio. FHUT has investments in two of the largest retailers in the Fiji market, RB Patel Group Limited and New World Limited.

RB Patel Group Limited FHUT Portfolio: 2.17 %

For this financial year, 2014 RBG reached a net profit after tax of \$5.90 million compared to \$5.30 million, an 11% increase from the previous year. Additionally there was also an increase in their Revenue from sales and other income; from \$102 million to \$103 million, which is an increase of 1.5%. Similarly, the EPS (Earnings per share) has increased by 11% from 18 cents last year to 20 cents this year.

Construction of the company's Cinema Multiplex at its JetPoint Complex in Martintar, Nadi is progressing well although there have been some delays. The construction is expected to be completed by the end of 2014. The structure of the management company for the operation of the multiplex is also in its final stages.

FHL Trustees Limited - Director



Seruwaia Hong-Tiy
Director

Seruwaia Hong-Tiy is a Health Professional - Physiotherapist who obtained a Diploma in Physiotherapy from the University of Otago, New Zealand. In 1992, together with her husband, they established a family business called the Shipping Services (Fiji) Limited. She formerly held the Health Portfolio and Women & Social Welfare in the SVT government. Currently, Seruwaia is a member of the sub-committee for the iTaukei Education Committee, the Investment Committee and a Director for the Nadroga Navosa Provincial development company.



During the financial year, RBG partnered with Sunergise (Fiji) Limited and installed a photovoltaic solar system at its JetPoint supermarket in Nadi. The system has to date provided a saving in carbon emission of 85.2 tonnes which is equivalent to the use of 30 tonnes of diesel. A similar system has been installed at the WestPoint supermarket in Lautoka. The systems supply a significant amount of the daytime energy of the supermarkets.

In May 2014, the company closed its Waimanu Road supermarket due to the significant shift of customers from the store to its MarketPoint supermarket (opposite the Suva municipal markets). The search for new sites for stores continues keeping in mind that these should add value for our shareholders. Further property developments on the JetPoint and HarbourPoint sites are being considered.

Looking forward, Directors and Management have continued to look for growth opportunities. The concerns of doing business in Fiji have increased and continue to do so due to cost structures. New legislations, new and increased licence fees and other costs together with the implementation of new OHS, NFA and health regulations continue to test our ability to maintain costs within the overall growth parameters of businesses.



NewWorld Limited
FHUT Portfolio: 1.23%

New world limited is the fastest growing supermarket chain in Fiji. The primary activities of the company are retailing and wholesaling of groceries and general merchandise. The company has highly grown in terms of sale in the highly competitive market. Other shortcomings during the year, together with cost factor, did not let the company lose in the stiff competition. Building on such successes, it plans to establish more stores in the near future.



MANUFACTURING

Manufacturing makes up 9.03% of the FHUT portfolio consisting of equity investments with Golden Manufacturers Limited, Atlantic & Pacific Packaging Company Limited, Punjas Flour Limited and Rice Company of Fiji.

Golden Manufacturers Limited
FHUT Portfolio: 3.81%

Golden Manufacturers is the South Pacific market leader in corrugated fibre packaging (or 'cardboard boxes' as it is more commonly known). We have a varied product mix, specialising in corrugated packaging for the beverage (including bottled water), food and garment industries. Making packing boxes for world renowned Fiji Water, Starkist, Samoa Packing, Foster Group, Nestle and Coca Cola is a statement in and of itself. GML has produced packaging for several industries including beverages, canned fish and meat, packed food, horticulture and industrial produce to name a few.

Punjas Flour Limited
FHUT Portfolio: 3.36%

Punjas operates a multi-million dollar flour mill where premium Australian wheat is processed and packaged into a range of quality products for the Pacific market. These include normal flour, Whole meal, Self-raising, Bakers, Noodle and Biscuit flours, Semolina, Atta and Mill Mix. The plant is ISO 9001:2008 and ISO 22000:2005 certified, and HACCP (Hazard Analysis and Critical Control Point) for food safety. Punjas purpose-built plant houses the latest Swiss technology from Buhler, the world's largest flour mill engineering company. PFL qualified millers are accredited by the National Association of British and Irish Millers (NABIM).



VB Holdings Limited
FHUT Portfolio: 0.52%

VB Holdings Limited, formerly known as Vishal Bhartiya Company Limited was founded in 1946 offers property and fleet management services. VBH recorded a growth of 8.50% as at end of June 2014 compared to the corresponding period last year. Property Management recorded a positive growth of 45% compared to the previous year while it Fleet Management division recorded a revenue of \$1.50m as at end of June 2014.

Atlantic & Pacific Packaging Company Limited
FHUT Portfolio: 0.40%

APP a subsidiary of FMF Foods Limited, was set up in 1998, to produce good quality, attractive packaging, boxes and corrugated cartons. It not only serves the local market but has created an export market to countries including Tonga, Samoa, Tahiti and New Caledonia. Atpack's largest customer is the Biscuit Company of Fiji. Flour is still the foundation of majority of our business but over the years we have grown to become one of the largest manufactures in the South Pacific with production expanding to a wide variety of product starting from cream biscuits to rice, from noodles to dhal, from choc chip cookies to self-raising flour, from pancake premix to carton packaging.

Pacific Green Industries (Fiji) Limited
FHUT Portfolio: 0.86%

PGI has designed and manufactured exotic furniture and home accessories for 40 years. Their unique collection includes tropical furniture, island furniture and resort furniture, with influences from traditional indigenous arts. Pieces are carefully handcrafted and made from superior natural materials, including Palmwood, a sustainable product made from plantation coconut. The company sets a benchmark for modern, sustainable business in the Pacific. Land is leased, not bought, to respect indigenous ownership. Pacific Green continues its charter to provide inspirational sustainable products to consumers globally.

Rice Company of Fiji
FHUT Portfolio: 0.08%

Rice Company of Fiji, a subsidiary of FMF Foods Limited began operations in 1996 and has developed a highly efficient processing line using fully automated machinery. RCF imports, mills, cleans, repacks, and sells rice.

**INFORMATION,
 COMMUNICATION & TECHNOLOGY**

Though a dynamic sector with lots of growth potential, the communication and information sector makes up only 2.85 % of the FHUT Portfolio. This consists of Communications Fiji Limited, Amalgamated Telecom Holdings Limited (ATH) and Data Bureau Limited.

Amalgamated Telecom Holdings Limited
FHUT Portfolio: 1.97%

ATH Group achieved a higher profit after income tax in the current financial year of \$22.027 million compared to \$16.547 million for the previous financial year. ATH's modern investments in next-generation technology and network infrastructure are ushering in the future of telecommunications to Fiji. As a result, in FY 2013/2014, your company has the distinction of being the first country in the South Pacific to commercially launch 4G mobile services, driving the digital age of mobile broadband services.

The 2014 financial year marked another period of significant achievements for Fijian Holdings Unit Trust (FHUT) delivering another year of robust growth. This year, as the fund concluded its thirteenth year of operations, I am pleased to report that FHUT'S total portfolio value has grown to \$59.965 million as compared to \$45.773 million in June 2013





Data Bureau Limited
FHUT Portfolio: 0.46%

Data Bureau Limited is the leading provider of credit historical information on individual and businesses in the South Pacific.

Principal business is the operation of a Credit Bureau database where members can access the credit history and identify details of their customers. The Credit Bureau also assists our members with debt collection when defaulting debtors are listed on the Credit Bureau.

This information is available to our members through a sophisticated but user friendly software system accessed through the internet.



Management has adopted strategies which has resulted in the growth of the new investors by 1,564 to 4,469 in FY14 compared to 3,115 in FY13. This represents a growth of 43%.

Communications Fiji Limited
FHUT Portfolio: 0.42%

CFM is the largest radio broadcasting company in the South Pacific. CFM operates five radio stations in Fiji and, under subsidiary PNG FM, a further three in Papua New Guinea. CMF reported an unaudited six monthly group after tax profit of \$417,071 compared to \$707,958 the previous year. Based on July management accounts, CMF's Fiji operations are performing exceptionally with a 97% result ahead of 2013.

MANAGED FUNDS

FHUT has less than 1% of its portfolio invested in other local managed funds.

BONDS

FHUT investments in bonds make up 17.08% of the portfolio consisting of Fiji Development Loan and Fiji Infrastructure bonds.

CASH & FIXED INTEREST SECURITIES

This sector makes up 48.91% of the FHUT portfolio consisting mainly of on-call and term deposits and secured short term loans with various deposit taking institutions and well established reputable companies to allow the Fund to access funds readily for investment opportunities that may arise.



In accordance with resolutions of the Trustee and Manager, the Trustee and Manager herewith submit the statement of financial position of the Trust as at 30 June 2014, the related statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended on that date and report as follows:

Trustee and Manager

The names of Trustee and Manager in office at the date of this report are:

FHL Trustees Limited	Trustee
FHL Fund Management Limited	Manager

Date of Formation

The Trust was formed on 27 April 2001 and has a life of 60 years from its inception.

Principal Activity

The Trust is an investment vehicle that allows investors' monies to be pooled with other unit holders' monies that in return are issued with units and become unit holders in the trust. The pooled funds are then invested by the Manager across a range of investments in accordance with the investment guidelines contained in the Investment Policy statement.

Result

The Trust recorded a net income available for distribution of \$3,204,209 (2013: \$2,426,770).

Dividends

The Trust declared and paid a final dividend for 2013 of \$1,501,669 and an interim dividend for 2014 of \$1,071,252 during the year.

Asset

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

As at the date of this report, the Trustee and Manager are not aware of any circumstances, which would render the values attributed to assets in the Trust's financial statements misleading.

Unusual Transactions

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

Fair Value Reserves

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until the investments are derecognised, disposed or impaired.

Basis of Accounting

The Trustee and Manager believe that the basis of preparation of the financial statements is appropriate and the Trust will be able to continue in operation for at least 12 months from the date of this report. Accordingly, the Trustee and Manager believe that the classification and carrying amounts of the assets and liabilities as stated in the financial statements to be appropriate.

Related Party Transactions

In the opinion of the Trustee and Manager all related party transactions have been adequately recorded in the books of the Trust and reflected in the financial statements.

Significant Events

As at the date of this report, the Trustee and Manager are not aware of any other significant event, other than those already included in the financial statements.

Events Subsequent to Balance Date

The Trustee and Manager are not aware of any matter or circumstance not otherwise dealt with in the report or financial statements that will significantly or may significantly affect the operations of the Trust, the results of those operations or state of affairs of the Trust in subsequent financial years.

Other Circumstances

As at the date of this report:

- (i) no charge on the assets of the Trust has been given since the end of the financial year to secure the liabilities of any other person;
- (ii) no contingent liabilities have arisen since the end of the financial year for which the Trust could become liable; and
- (iii) no contingent liabilities or other liabilities of the Trust has become or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Trustee and Manager, will or may substantially affect the ability of the Trust to meet its obligations as and when they fall due.

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

Trustee's and Manager's Benefits

Since the end of the previous financial year, no Trustee or Manager has received or become entitled to receive a benefit (other than those included in the aggregate amount of emoluments received or due and receivable by Trustee and Manager shown in the financial statements or received as the fixed salary of a full-time employee of a related party) by reason of a contract made by the Trust or by a related party with the Trustee or Manager or with a firm of which they are a member, or with a company in which they have a substantial financial interest.

Approval of the Financial Statements

The financial statements for the year ended 30 June 2014 together with the accompanying notes set out on pages 6 to 20 are approved as being in accordance with the books and records of the Fijian Holdings Unit Trust.

Signed for and on behalf of the Trustee and Manager in accordance with resolutions of the Trustee and Manager.

Dated at Suva this 25th day of September 2014.


FHL Fund Management Limited
Manager - Fijian Holdings Unit Trust


FHL Trustees Limited
Trustee - Fijian Holdings Unit Trust

FIJIAN HOLDINGS UNIT TRUST
Statement by Trustee and Manager
FOR THE YEAR ENDED 30 JUNE 2014

In accordance with resolutions of the Trustee and Manager, we state that in our opinion:

- (i) the accompanying statement of comprehensive income of the Trust is drawn up so as to give a true and fair view of the results of the Trust for the year ended 30 June 2014;
- (ii) the accompanying statement of changes in equity of the Trust is drawn up so as to give a true and fair view of the changes in equity of the Trust for the year ended 30 June 2014;
- (iii) the accompanying statement of financial position of the Trust is drawn up so as to give a true and fair view of the state of affairs of the Trust as at 30 June 2014;
- (iv) the accompanying statement of cash flows of the Trust is drawn up so as to give a true and fair view of the cash flows of the Trust for the year ended 30 June 2014;
- (v) at the date of this statement there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they fall due; and
- (vi) all related party transactions have been adequately recorded in the books of the Trust.

Signed for and on behalf of the Trustee and Manager in accordance with resolutions of the Trustee and Manager .

Dated at Suva this 25th day of September 2014.


FHL Fund Management Limited
Manager - Fijian Holdings Unit Trust


FHL Trustees Limited
Trustee - Fijian Holdings Unit Trust

FIJIAN HOLDINGS UNIT TRUST
Statement of Comprehensive Income
 FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Revenue			
Interest income	2(a)	1,873,635	1,510,872
Dividend income	2(b)	2,207,358	1,625,145
Net equalization		134,605	72,496
		4,215,598	3,208,513
Expenses			
Bank charges		2,327	2,633
Management fees	1.2(g)	913,221	726,209
Professional fees	2(c)	26,489	20,671
Trustee's fees	1.2(h)	59,513	32,000
Other expenses		9,839	230
		1,011,389	781,743
Net income available for distribution		3,204,209	2,426,770
Net income for the year attributable to unit holders		3,204,209	2,426,770
Other comprehensive income	3	2,536,682	340,311
Total comprehensive income for the year		5,740,891	2,767,081

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

FIJIAN HOLDINGS UNIT TRUST
Statement of Changes in Equity
 FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Unit holders' equity			
At 1 July		36,936,909	30,829,187
18,441,603 units created during the year (2013: 11,139,448 units)		13,101,800	7,743,066
2,986,290 units redeemed during the year (2013: 2,384,355 units)		(2,078,459)	(1,635,344)
At 30 June	8	47,960,250	36,936,909
Net income available for distribution			
At 1 July		1,507,690	1,077,736
Net income available for distribution		3,204,209	2,426,770
Dividend declared and paid during the year		(2,572,921)	(1,996,816)
At 30 June	6	2,138,978	1,507,690
Fair value reserves			
At 1 July		7,328,839	6,988,528
Fair value gain		2,536,682	340,311
At 30 June	3	9,865,521	7,328,839
Total unit holders' equity		59,964,749	45,773,438

The accompanying notes form an integral part of this Statement of Changes in Equity.

FIJIAN HOLDINGS UNIT TRUST
Statement of Financial Position
 AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
Assets			
Cash and short term deposits	10	9,257,530	3,775,891
Accrued income	5	514,218	265,518
Investments - loans and receivables	4(a)	19,890,000	14,600,000
Investments - available-for-sale financial assets	4(b)	30,399,362	27,177,868
		60,061,110	45,819,277
Liabilities			
Net income declared for distribution		2,210	946
Other liabilities	7	94,151	44,893
		96,361	45,839
Net assets		59,964,749	45,773,438
Unit holders' equity			
Unit holders' equity repayable on demand: 79,088,053 units fully paid (2013: 63,632,740 units)	8	47,960,250	36,936,909
Net income available for distribution	6	2,138,978	1,507,690
Fair value reserves	3	9,865,521	7,328,839
Total unit holders' equity		59,964,749	45,773,438

Signed for and on behalf of the Trustee and Manager in accordance with resolutions of the Trustee and Manager.


 FHL Fund Management Limited
 Manager - Fijian Holdings Unit Trust


 FHL Trustees Limited
 Trustee - Fijian Holdings Unit Trust

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

FIJIAN HOLDINGS UNIT TRUST
Statement of Cash Flows
 FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Operating activities			
Cash received in the course of operations		3,966,898	3,158,559
Cash payments in the course of operations		(962,131)	(784,880)
Net cash flows from Operating Activities		3,004,767	2,373,679
Investing activities			
Disbursement on purchase of investments		(684,812)	(5,835,560)
Disbursement of loan and receivables		(11,090,000)	(5,850,000)
Proceeds from loan and receivable		5,800,000	5,600,000
Net cash flows (used in) Investing Activities		(5,974,812)	(6,085,560)
Financing activities			
Proceeds from issue of units		13,101,800	7,743,066
Payments for repurchase of unit		(2,078,459)	(1,635,344)
Distributions paid		(2,571,657)	(1,996,649)
Net cash flows from Financing Activities		8,451,684	4,111,073
Net increase in cash and short term deposits		5,481,639	399,192
Cash and short term deposits at the beginning of the year		3,775,891	3,376,699
Cash and shorts deposits at the end of the year	10	9,257,530	3,775,891

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



FIJIAN HOLDINGS
UNIT TRUST

While I Live, I Grow

Corporate Directory

Manager

FHL Fund Management Limited
Telephone: (679) 3317152/ 3311120
Fax: (679) 3317153
Email: fhhtml@fijianholdings.com.fj

Registered Office

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91 Gordon Street, Suva, Fiji.

Postal Address

FHL Fund Management Limited
P. O. Box 2110
Government Buildings
Suva, Fiji

Auditor

Ernest & Young
Chartered Accountants
Level 7, Pacific House
Butt Street
P. O. Box 1359
Suva, Fiji
Telephone: (679) 3314166
Fax: (679) 3300612

Regulator

Reserve Bank of Fiji
Pratt Street, Suva
Private Mail Bag
Suva, Fiji

FHL FML Directors

Ulaiasi Taoi- Chairman
Robin Yarrow
Nouzab Fareed
Catherine Grey

Compliance Committee

Laisa Lagilevu - Chairperson
Ateen Kumar
Shamila Nanayakkara
Yunus Khan

Trustees

FHL Trustees Limited
Ground Floor, Ra Marama
91 Gordon Street
P. O. Box 2110
Government Buildings
Suva, Fiji
Telephone: (679) 3317152/ 3311120
Fax: (679) 3317153

FTL Directors

Sakiasi Seru - Chairman
Arun Kumar Narsey
Seruwaia Hong Tiy
Telephone: (679) 3311120
Fax: (679) 3317153

Principal Banker

Australian & New Zealand Banking Group Limited
25 Victoria Parade
GPO Box 179
Suva

Investor Relations

You can obtain information about investing with the Fijian Holdings Trust by contacting our licensed Unit Trust representative via:
Telephone: (679) 3311120 / 3317152
Fax: (679) 3317153
Email: fhhtml@fijianholdings.com.fj

You can also contact or visit us at our registered office listed above.

Business Hours

8.00am - 5.00pm Mondays - Thursday
8.00am - 4.00pm Fridays