
THE RICE COMPANY OF FIJI LIMITED

**ANNUAL REPORT
2015**

THE RICE COMPANY OF FIJI LIMITED

CONTENTS	PAGE
Directors and Advisors	A
Notice of the Annual General Meeting	B - C
Chairman's Report	D
Corporate Governance	E - F
Directors' Report	1 - 3
Statement by Directors	4
Independent Audit Report	5 - 6
Statement of Profit or Loss and other Comprehensive Income	7
Statement of Changes in Equity	8
Statement of Financial Position	9
Statement of Cash flows	10
Notes to the Financial Statements	11 - 22
South Pacific Stock Exchange listing requirements	23 - 24
Minutes of the previous AGM	25 - 26
Proxy Form	27

DIRECTORS

Mr. Hari Punja *ORDER OF FIJI, OBE,* - Chairman

Mr. Ajai Punja

Mr. Gary Callaghan

Mr. Pramesh Sharma (*w.e.f. 11th December 2014*)

Mr. Ram Bajekal – Managing Director (*w.e.f. 12th February 2015*)

Mr. Rohit Punja (*Alternate to Mr. Hari Punja and Mr. Ajai Punja*)

Ms. Leena Punja (*Alternate to Mr. Hari Punja*)

**GROUP CHIEF FINANCIAL OFFICER &
COMPANY SECRETARY**

Mr. Sandeep Kumar K

AUDITORS

M/S BDO,
Chartered Accountants,
Suva.

SOLICITORS

M/s Munro Leys
M/s Sherani & Co.
M/s Diven Prasad Lawyers

BANKERS

Australia and New Zealand Banking Group Limited
Suva.

REGISTERED OFFICE

Lot 2, Leonidas Street,
Walu Bay, Suva.
Telephone: +679 330 1188 Fax: +679 330 0944
Email: sandeepk@ fmf.com.fj

SHARE REGISTRAR AND SHARE TRANSFER AGENTS

Central Share Registry Limited
Level 2 Provident Plaza 1
FNPF Boulevard
33 Ellery Street, Suva.
Telephone: +679 330 4130 Fax: +679 330 4145
Email: registry@spse.com.fj

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 19th Annual General Meeting (AGM) of the members of The Rice Company of Fiji Limited will be held on Friday, October 30, 2015 at 3.00 p.m., at the Training Room at Atlantic & Pacific Packaging Company Limited, Leonidas Street, Walu Bay, Suva, Fiji, to transact the following business:-

General Business

Item No.1 – Confirmation of Minutes

To confirm the minutes of the previous Annual General Meeting of the Company held on October 31, 2014.

Ordinary Business

Item No.2 – Adoption of Audited Financial Statements

To receive, consider and adopt the financial statements of the Company for the year ended June 30, 2015, including the audited Balance Sheet as at June 30, 2015, the Statement of Profit and Loss for the year ended on that date and the report of the Board of Directors ('the Board') and Auditors thereon.

Item No.3 – Appointment of Directors

(a) **Mr. Ajai Punja**

To appoint a Director in place of Mr. Ajai Punja, who retires by rotation and being eligible in accordance with Article 100 of the Articles of Association of the Company, offers himself for re-appointment.

(b) **Mr. Pramesh Sharma**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

“RESOLVED that Mr. Pramesh Sharma, who was appointed an Additional Director of the Company with effect from December 11, 2014 by the Board of Directors and who holds office up to the date of this Annual General Meeting of the Company and being eligible for re-appointment, be and is hereby appointed a Director of the Company.”

(c) **Mr. Ram Bajekal**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

“RESOLVED that Mr. Ram Bajekal, who was appointed an Additional Director of the Company with effect from February 12, 2015 by the Board of Directors and who holds office up to the date of this Annual General Meeting of the Company and being eligible for re-appointment, be and is hereby appointed a Director of the Company.”

Item No.4 – Appointment of Auditors

To appoint Auditors in accordance with Section 161 of the Companies Act, Cap 247, to hold office from the conclusion of this meeting until conclusion of the next AGM at a remuneration as may be mutually agreed between the Board and the Auditors. The retiring Auditors M/s. BDO, Chartered Accountants, being eligible, offer themselves for appointment.

Any Other Business

Any other business brought up in conformity with the Articles of Association of the Company.

By order of the Board of Directors



Sandeep Kumar K
Chief Financial Officer and
Company Secretary

22nd September 2015.

Registered Office:

Leonidas Street,
Walu Bay, Suva, Fiji

Explanatory Notes:

Item No. 3 (b)

Mr. Pramesh Sharma was appointed as an Additional Director to the Board on December 11, 2014. Mr. Pramesh Sharma is presently General Manager-Investments with BSP Life and has rich experience in the corporate sector, having worked previously with organisations such as Merchant Bank of Fiji and Westpac Banking Corporation in very senior roles.

In accordance with Article 88 of the Articles of Association of the Company, Mr. Pramesh Sharma will hold office up to the date of the ensuing AGM and is eligible to be appointed as a Director of the Company. The Board recommends the resolution set forth in Item No. 3 (b) for the approval of the Members.

Item No. 3 (c)

Mr. Ram Bajekal was appointed as Chief Executive Officer of the Company on 1st April, 2009. The Board of Directors vide its meeting held on 12th February, 2015, appointed Mr. Ram Bajekal as an Additional Director to the Board and also as a Managing Director for a period of three years, effective from 12th February 2015. Mr. Ram Bajekal is a qualified Chartered Accountant with over 30 years rich experience in the field of corporate management. Mr. Bajekal has also studied management as a Fulbright Fellow for management studies at Carnegie Mellon University, Pittsburgh, USA.

In accordance with Article 88 of the Articles of Association of the Company, Mr. Ram Bajekal will hold office of Additional Director up to the date of the ensuing AGM and is eligible to be appointed as a Director of the Company. The Board recommends the resolution set forth in Item No. 3 (c) for approval of the Members.

PROXIES

1. A member who is unable to attend the meeting is entitled to appoint a proxy to attend the meeting and vote on his behalf. The proxy need not be a member of the company.
2. A proxy form is enclosed with this Annual Report. To be effective the form must reach the registered office of the company, no less than 48 hours before the time for holding the meeting.

CHAIRMAN'S REPORT

Dear Shareholders,

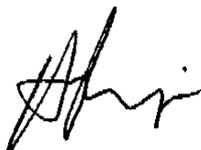
Year 2014-15 saw the re-emergence of your Company's premium rice, FMF Sunwhite after a hiatus of many years. Production of Australian rice varieties such as the premium long grain and the premium medium grain had declined significantly after 2008, taking prices to levels that were not easy to obtain in the Fijian market. Thankfully that changed in 2014-15 and helped your Company re-introduce these varieties which were well loved in Fiji prior to their unheralded exit from the market. The company also strongly marketed its other premium product FMF Jasmine rice while not losing focus on its mainstay FMF Sungrown long grain rice.

Sales grew 14% from \$21.96 m in 2013-14 and crossed the \$25 m mark for the first time in the history of the company to finish at \$25.09 m. A renewed sales and marketing thrust has further strengthened your Company's position in the market which it continues to dominate with its service delivery and products.

Net Profit increased from \$2.13 m in 2013-14 to \$2.98 m in 2014-15. Dividend during the year was increased to 25 cents per share from 20 cents per share last year. The outflow on account of dividend is \$1.50 m (\$1.20 m last year).

Outlook:

Scientists have confirmed the setting of the El Nino phenomenon with expectations that it could have the same intensity as that witnessed in 1997-98. This could result in increase in prices of all agricultural commodities. While basic staples would no doubt find a market even at higher prices, premium categories would take the brunt of rising price levels. Your Company will keep a close watch on the situation and execute strategies to overcome any adverse effects of this phenomenon, if and when it happens. Considering that little or no volume increase can be expected in Fiji with its stagnant population base and firmly entrenched food habits, agility in response to changing situations would be an imperative. This is something that your Company is quite confident about.



Hari Punja ORDER OF FIJI, OBE,
Chairman

22nd September 2015

Corporate Governance

In June 2008, the Capital Markets Development Authority (now the Capital Markets Unit of Reserve Bank of Fiji) published the corporate Governance Code for the Capital Market (The Code). The Code articulates 10 core principles together with the best practice recommendations. This code is the basis for the Rice Company of Fiji's (RCF) corporate governance standards.

On a continuous basis RCF has reviewed its existing policies and has codified / modified policies in line with its goal to improve the standard of corporate governance.

Role of the Board

The role of the Board is to assume accountability for the success of the company by taking responsibility for its direction and management in order to meet its objective of enhancing shareholder value.

The Board

Directors are elected by shareholders at the Annual General Meeting. One third of the total strength of the Board, retire by rotation each year and are eligible for re-election. Casual vacancies during the year are filled up by the Board till the conclusion of the next Annual General Meeting.

As at the Balance date, the Directors in Office were Messrs. Hari Punja (Chairman), Gary Callaghan, Ajai Punja, Pramesh Sharma , Ram Bajekal (Managing Director), Rohit Punja (Alternate to Mr. Hari Punja and Mr. Ajai Punja) and Leena Punja (Alternate to Mr. Hari Punja) .

Meetings of the Board

The regular business of the Board during its meetings covers business investments and strategic matters, governance and compliance, the Managing Directors Report, financial report and performance of the Company.

During the Financial Year under review the Board met 4 times. The Member's attendance at the Board meetings, during the financial year is given below:

DIRECTOR	Number of Meeting Entitled to Attend	Number of Meetings Attended	Apologies Received
Mr. HARI PUNJA	4	2	2
Mr. GARY CALLAGHAN	4	4	N/A
Mr. AJAI PUNJA	4	1	3
Mr. PRAMESH SHARMA (Appointed as Additional Director on 11/12/14)	2	2	N/A
Mr. RAM BAJEKAL (Appointed as Additional Director on 12/02/15)	1	1	N/A
Mr. ROHIT PUNJA (Alternate to Hari Punja and Ajai Punja)	2	2	N/A
Ms. LEENA PUNJA (Alternate to Hari Punja)	N/A	N/A	N/A

Sub-committees of the Board

The Board has formally constituted four sub-committees, viz.,

- The Audit and Finance Committee and
- The Share Transfer Committee.

As at the Balance date, the Audit and Finance Committee comprised Messrs. Hari Punja, Gary Callaghan and Ram Bajekal. The Audit and Finance Committee is responsible for monitoring RCF's financial strategies, monitoring the external audit of the company's affairs, reviewing the half-year and annual financial statements, reviewing the internal audit report and monitoring the company's compliance with applicable laws and stock exchange requirements.

Corporate Governance (Contd...)

The Executive management under the directions of this Committee, is also responsible for monitoring the Risk Management to ensure that key business and operational risks are identified and appropriate controls and procedures are put in place to manage those risks.

This sub-committee met four times during the financial year under review. The executive management usually takes its major decisions in consultation with the members of the sub-committee, where necessary.

As at the Balance date, the Share Transfer Committee comprised Messrs. Hari Punja, Gary Callaghan, Ajai Punja and Ram Bajekal.

The Share Transfer Committee is responsible for approval of share transfers between the shareholders of the company. The Share transfer committee met 4 times during the year under review.

Responses to the Guidelines on Corporate Governance issued by Reserve Bank of Fiji:

Principle	Company's Response
Establish clear responsibilities for Board Oversight	Covered above
Constitute an effective Board	Covered above
Appointment of a Chief Executive Officer	The Board has appointed a suitably qualified and competent Managing Director entrusted with substantial powers of management of the affairs of the Company. He is a professionally qualified Chartered Accountant and has also studied Management as a Fulbright Fellow for Management Studies at Carnegie Mellon University, Pittsburgh, U.S.A.
Board and Company Secretary	The Company has appointed a suitably qualified and competent Company Secretary. He is a professionally qualified Chartered Accountant and an Associate Member of the Institute of Company Secretaries of India.
Timely and Balanced disclosure	Board meetings are held at least once in every quarter of the year. The Board is apprised of the Company's performance and major decisions are deliberated and passed at Board level. Progress on carrying out strategies is reviewed at these meetings. The Company periodically releases the required information to the public by way of market announcements, as required under the rules of the SPSE.
Promote ethical and responsible decision – making	RCF promotes and believes that all Directors and Employees uphold high standards, honesty, fairness and equity in all aspects of their employment and association with the Company.
Register of Interests	The Company maintains a Register of Interest wherein the interests of Directors are noted.
Respect the rights of Shareholders	An Annual General Meeting is held every year in accordance with the Articles of Association of the Company. The Annual report is also published each year and circulated to the Shareholders of the Company.
Accountability and Audit	RCF is audited externally each year and receives an independent audit report which forms part of the Annual Report. The Audit and Finance Committee is responsible for overseeing the financial reporting and disclosure process, performance and independence of the external auditors, monitoring internal control processes, reviewing adequacy of the internal audit function and discussing risk management policies and practices with management.
Recognize and Manage Risk	The Executive management of the Company ensures that key business and operational risks are identified and appropriate controls and procedures are put in place to manage those risks.

DIRECTORS' REPORT

In accordance with a resolution of the board of directors, the directors herewith submit the statement of financial position of The Rice Company of Fiji Limited (the company) as at 30 June 2015, the related statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and report as follows:

Directors

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

Hari Punja Order of Fiji, OBE - Chairman
Ajai Punja
Gary Callaghan
Pramesh Sharma
Ram Bajekal - Managing Director
Leena Punja (Alternate director to Hari Punja)
Rohit Punja (Alternate director to Hari Punja)

Principal Activities

The principal activity of the company during the year was that of importing bulk rice as a finished good, cleaning, repacking and selling in different pack sizes.

There was no significant change in the nature of this activity during the financial year.

Results

The profit after income tax for the year was \$ 2,980,906 (2014: \$2,131,723).

Dividends

During the year, your Company has declared an interim dividend of 25 cents per equity share (2014: 20 cents) entailing outflow of \$1,500,000 (2014: \$1,200,000). No further dividend is recommended for the financial year ended June 30, 2015.

Reserves

It is proposed that no amounts be transferred to reserves within the meaning of the Seventh Schedule of the Companies Act, 1983.

Bad and Doubtful Debts

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

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

Current and Non-current Assets

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

DIRECTORS' REPORT [CONT'D]**Current and Non-current Assets (Cont'd)**

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

Unusual Transactions

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

Events Subsequent to Balance Date

No matters or circumstances have arisen since the end of the financial year which would require adjustment to, or disclosure in, the financial statements.

Other Circumstances

As at the date of this report:

- (i) no charge on the assets of the company 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 company could become liable; and
- (iii) no contingent liabilities or other liabilities of the company have become or are likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the company to meet its obligations as and when they fall due.

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

Directors' Benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than those disclosed in the financial statements) by reason of a contract made by the company or by a related company with the director or with a firm of which he/she is a member, or with a company in which he/she has a substantial financial interest.

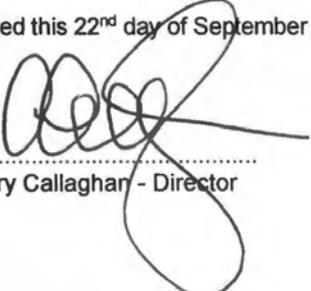
DIRECTORS' REPORT [CONT'D]**Directors' Interests**

Interest of directors and any additions thereto during the year, in the ordinary shares of the company are as follows:

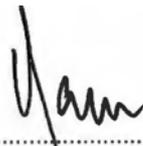
	Beneficially		Non-Beneficially	
	Additions during the year	Holding as at 30 June 2015	Additions during the year	Holding as at 30 June 2015
Hari Punja	-	-	-	4,595,900
Ajai Punja	-	-	-	4,595,900
Gary Callaghan	-	12,500	-	4,500,000
Leena Punja	-	-	-	4,595,900
Rohit Punja	-	-	-	4,595,900

For and on behalf of the board and in accordance with a resolution of the board of directors.

Dated this 22nd day of September 2015.



.....
Gary Callaghan - Director



.....
Ram Bajekal – Managing Director

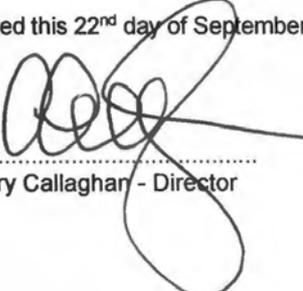
STATEMENT BY DIRECTORS

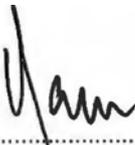
In accordance with a resolution of the board of directors of The Rice Company of Fiji Limited, we state that in the opinion of the directors:

- [i] 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 30 June 2015;
- [ii] the accompanying statement of changes in equity of the company is drawn up so as to give a true and fair view of the changes in equity of the company for the year ended 30 June 2015;
- [iii] 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 30 June 2015;
- [iv] 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 30 June 2015;
- [v] the financial statements have been prepared in accordance with International Financial Reporting Standards;
- [vi] at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due; and
- [vii] all related party transactions have been adequately recorded in the books of the company.

For and on behalf of the board and in accordance with a resolution of the board of directors.

Dated this 22nd day of September 2015.


.....
Gary Callaghan - Director


.....
Ram Bajekal – Managing Director



Tel: +679 331 4300
Fax: +679 330 1841
Email: info@bdo.com.fj
Offices in Suva and Lautoka

BDO
Chartered Accountants
Level 10, FNPF Place
343 Victoria Parade
GPO Box 855
Suva, Fiji

INDEPENDENT AUDITOR'S REPORT

Page 5

To the Members of The Rice Company of Fiji Limited

We have audited the accompanying financial statements of The Rice Company of Fiji Limited (the company), which comprise the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information as set out on pages 7 to 22.

Director's and Management's Responsibility for the Financial Statements

Directors and management are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and with the requirements of the Companies Act, 1983, and for such internal control as the directors and management determines 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 judgement, 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 company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of the company as at 30 June 2015, and its financial performance, cash flows and changes in equity for the year then ended in accordance with International Financial Reporting Standards.

To the Members of The Rice Company of Fiji Limited (Cont'd)

Report on other legal and regulatory requirements

In our opinion:

- (i) Proper books of account have been kept by the company, so far as it appears from our examination of those books;
- (ii) The financial statements are in agreement with the books of account; and
- (iii) To the best of our information and according to the explanations given to us, the financial statements give the information required by the 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.

SUVA, FIJI
22 SEPTEMBER 2015



BDO
CHARTERED ACCOUNTANTS

ANY OF FIJI LIMITED

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015**

	<u>Notes</u>	<u>2015</u>	<u>2014</u>
Revenue	6	\$ 25,085,173	21,955,339
Cost of sales		<u>(21,693,694)</u>	<u>(19,218,436)</u>
Gross profit		3,391,479	2,736,903
Other income	7	<u>415,027</u>	<u>290,945</u>
		3,806,506	3,027,848
Administration and operating expenses		(462,212)	(311,981)
Selling and marketing expenses		(4,570)	(68,122)
Finance costs	8	<u>(27,606)</u>	<u>(25,905)</u>
Profit before income tax	9	3,312,118	2,621,840
Income tax expense	11(a)	<u>(331,212)</u>	<u>(490,117)</u>
Profit after income tax		2,980,906	2,131,723
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		\$ <u>2,980,906</u>	<u>2,131,723</u>
Earnings per share - Basic and Diluted	10	<u>50 cents</u>	<u>36 cents</u>

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015**

	Issued Capital	Retained Earnings	Total
	\$	\$	\$
Balance as at 1 July 2013	3,000,000	5,458,643	8,458,643
Profit for the year	-	2,131,723	2,131,723
Dividends declared and paid (Note 17)	-	(1,200,000)	(1,200,000)
Other comprehensive income	-	-	-
Balance as at 30 June 2014	3,000,000	6,390,366	9,390,366
Profit for the year	-	2,980,906	2,980,906
Dividends declared and paid (Note 17)	-	(1,500,000)	(1,500,000)
Other comprehensive income	-	-	-
Balance as at 30 June 2015	3,000,000	7,871,272	10,871,272

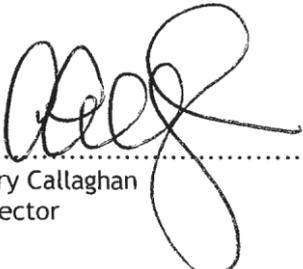
The above statement of changes in equity should be read in conjunction with the accompanying notes.

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015**

	<u>Notes</u>	<u>2015</u>	<u>2014</u>
CURRENT ASSETS			
Cash and cash equivalents		\$ 5,249,252	4,356,770
Trade and other receivables	12	3,280,016	2,993,029
Inventories	13	3,566,250	4,115,417
Advance tax	11(b)	162,751	47,874
Total current assets		<u>12,258,269</u>	<u>11,513,090</u>
NON-CURRENT ASSET			
Deferred tax asset	11(c)	5,957	5,166
Total non-current asset		<u>5,957</u>	<u>5,166</u>
TOTAL ASSETS		<u>12,264,226</u>	<u>11,518,256</u>
CURRENT LIABILITIES			
Trade and other payables	14	1,392,954	2,127,890
TOTAL LIABILITIES		<u>1,392,954</u>	<u>2,127,890</u>
NET ASSETS		<u>10,871,272</u>	<u>9,390,366</u>
SHAREHOLDERS' EQUITY			
Issued capital	16	3,000,000	3,000,000
Retained earnings		7,871,272	6,390,366
TOTAL SHAREHOLDERS' EQUITY		<u>\$ 10,871,272</u>	<u>9,390,366</u>

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

For and on behalf of the board and in accordance with a resolution of the board of the directors.



 Gary Callaghan
 Director



 Ram Bajekal – Managing Director

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015**

	2015 Inflows/ (Outflows)	2014 Inflows/ (Outflows)
Cash flows from operating activities		
Receipts from customers	\$ 25,027,129	21,486,032
Payments to suppliers	(22,285,877)	(18,815,734)
Cash generated from operations	2,741,252	2,670,298
Interest received	125,716	119,545
Interest paid	(27,606)	(25,905)
Income tax paid, net	(446,880)	(644,734)
Net cash provided by operating activities	2,392,482	2,119,204
Cash flows from investing activities		
Advances given to related parties (note 20(d))	(5,085,000)	(10,950,000)
Receipt of advances given to related parties	5,085,000	10,950,000
Advances received from related parties (note 20(e))	1,380,000	1,850,000
Repayment of advances received from related parties	(1,380,000)	(1,850,000)
Net cash from investing activities	-	-
Cash flows from financing activities		
Payment of dividends	(1,500,000)	(1,200,000)
Net cash used in financing activities	(1,500,000)	(1,200,000)
Net increase in cash and cash equivalents	892,482	919,204
Cash and cash equivalents at the beginning of the year	4,356,770	3,437,566
Cash and cash equivalents at the end of the year (Note 15)	\$ 5,249,252	4,356,770

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

NOTE 1. GENERAL INFORMATION

a) Corporate information

The Rice Company of Fiji Limited (the company) is a limited liability company incorporated and domiciled in Fiji. The registered office and principal place of business of the company is located at Lot 2, Leonidas Street, Walu Bay, Suva.

The company is listed on the South Pacific Stock Exchange.

b) Principal activities

The principal activity of the company during the year was that of importing bulk rice as a finished good, cleaning, repacking and selling in different pack sizes.

There was no significant change in the nature of this activity during the financial year.

NOTE 2. BASIS OF PREPARATION

(a) Basis of Preparation

The financial statements have been prepared on the basis of historical cost convention. Historical cost is based on the fair values of the consideration given in exchange for goods and services.

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

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

The areas involving higher degree of judgement or complexity, or areas where assumptions and estimates are critical to the financial statements are disclosed in Note 5.

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

(b) Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') as required by the Fiji Institute of Accountants and in compliance with the requirements of the Companies Act, 1983.

(c) Comparatives

Where necessary, amounts relating to prior years have been reclassified to facilitate comparison and achieve consistency in disclosure with current year amounts.

(d) Changes in accounting policies

New standards, interpretations and amendments effective from 1 July 2014

One new interpretation and a number of amendments are effective for the first time for periods beginning on (or after) 1 July 2014. However, none have a material effect on the company's financial statements.

NOTES TO THE FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 2. BASIS OF PREPARATION (CONT'D)

(d) Changes in accounting policies (Cont'd)

New standards, interpretations and amendments that have been issued but are not mandatorily effective as at 30 June 2015

There are certain new standards, interpretations and amendments, which are not yet mandatorily effective and have not been adopted early in these financial statements, will or may have an effect on the company's future financial statements. The company intends to adopt these standards, interpretations and amendments, if applicable, when they become effective.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted by the company are stated to assist in a general understanding of these financial statements. The accounting policies adopted are consistent with those of the previous period except as stated otherwise.

(a) Cash and Cash Equivalents

For the purpose of statement of cash flows, cash and cash equivalents comprise cash at banks, net of outstanding bank overdrafts. Bank overdrafts are shown within interest bearing borrowings in current liabilities in the statement of financial position.

(b) Dividend Distribution

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

(c) Earnings per Share

Basic earnings per share

Basic earnings per share (EPS) is determined by dividing profit after income tax attributable to shareholders of the company by the number of ordinary shares as at balance date.

Diluted earnings per share

Diluted EPS is the same as the basic EPS as there are no ordinary shares which are considered dilutive.

(d) Financial Assets

The company only has receivables under its financial assets category. Receivables are non-derivative financial assets with fixed or determinable payments. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The company's receivables comprise 'trade and other receivables' as disclosed in Note 12 to the financial statements.

(e) Foreign Currency Transactions

Functional and presentation currency

The company operates in Fiji and hence its financial statements are presented in Fiji dollars, which is the company's functional and presentation currency.

**NOTES TO THE FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 30 JUNE 2015**

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Foreign Currency Transactions (Cont'd)

Transactions and balances

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss.

(f) Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

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

Deferred Tax

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable profit nor accounting profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the periods when the asset and liability giving rise to them are realised or settled, based on tax rates and tax laws that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the statement of profit or loss, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in comprehensive income.

(g) Inventories

Inventories comprising of packaging materials, finished goods, spare parts and goods in transit are valued at the lower of cost and net realizable values. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventory on hand by the method most appropriate to each particular class of inventory, with the majority being valued on a weighted average basis.

**NOTES TO THE FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 30 JUNE 2015**

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Inventories (Cont'd)

Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. Cost includes expenditure incurred in acquiring the inventories and bringing them to their existing condition and location.

Inventories considered obsolete or unsaleable are written off to cost of sales in the year in which they are identified.

(h) Issued Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(i) Revenue Recognition

Sale of goods

Revenue from the sale of goods is recognised when the company has transferred to the buyer the significant risks and rewards of ownership of the goods.

Revenue comprises the fair value of the consideration received or receivable for the sale of rice and allied products in the ordinary course of the company's activities. Revenue is shown net of Value Added Tax, returns, rebates and discounts.

Interest Income

Interest income is recognised on an accrual basis.

Freight Income

Freight income is recognised when the company process sales invoice with freight charges.

(j) Trade and Other Payables

Trade payables and other accounts payable are recognised when the company becomes obliged to make future payments resulting from the purchase of goods and services.

(k) Trade Receivables

Trade receivables are recognised at invoice amount. An allowance for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Significant financial difficulties of the debtor and default or delinquency in payments are considered indicators that the trade receivable is impaired. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in statement of profit or loss within administration and operating expenses.

When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited to other operating revenue in statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Value Added Tax

Revenues, expenses and assets are recognised net of the amount of Value Added Tax (VAT), except:

- i) where the amount of VAT incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; and
- ii) for receivables and payables which are recognised inclusive of VAT.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

The VAT component of cash flows arising from operating and investing activities, which is recoverable from or payable to the taxation authority, is classified as operating cash flows.

NOTE 4. FINANCIAL RISK MANAGEMENT

The company's activities expose it to a variety of financial risks: foreign exchange risk, credit risk, interest rate risk, liquidity risk and other risks. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

Risk management is carried out by the executive management under policies approved by the board of directors. The board provides policies for overall risk management.

(a) Foreign exchange risk

The company procures a significant portion of its inventory from overseas and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US and Australian Dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

Management has set up a policy to require the company to manage its foreign exchange risk against its functional currency, in this case the Fiji dollar. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency other than the Fiji dollar. For significant settlements, the company seeks quotations from recognised banks and uses the most favorable exchange rate for purposes of the settlement. A foreign currency account is also maintained which is used for settlement of foreign currency payments to overseas suppliers.

The company undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. Exchange rate exposures are closely managed within approved policy parameters. Changes in the exchange rate by 5% (increase or decrease) are not expected to have a significant impact on the net profit and equity balances currently reflected in the company's financial statements.

(b) Credit Risk

Credit risk is managed by management with board oversight. Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables. 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 prior to the credit approval. Individual credit risk limits are then set based on the assessments done. The utilisation of credit limits is regularly monitored. Credit sales to retail customers are settled in either cash or cheques.

The company does not have any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. The company's maximum exposure to credit risk is limited to the carrying amount of financial assets recorded in the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 30 JUNE 2015**

NOTE 4. FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Interest Rate Risk

During the year, the company had obtained and given short term advances to its related parties. The advances were at a fixed interest rate of 2.5% (Note 20). All inter-company (related parties) advances were settled as at year end. For external borrowings, the company negotiates an appropriate interest rate with banks and other lenders with the board approval and borrows from banks and other financial institutions which offers the overall favourable terms, including the interest rate.

The risks are managed closely by the directors and the management within the approved policy parameters. The company is not exposed to significant interest rate risk.

(d) Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting obligations for its financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash to meet the company's present obligations.

The company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows. All of the company's financial liabilities, being trade and other payables as at balance date, are expected to be settled within the next 12 months.

(e) Other Risks

i) Regulatory risk

The company's profitability can be significantly impacted by regulatory agencies established which govern the business sector in Fiji. Specifically retail and wholesale prices are regulated by Fiji Commerce Commission.

ii) Operational risk

Operational risk is the risk of loss arising from systems failure, human error, and fraud to external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial crisis. The company cannot expect to eliminate all operational risk, but through a control framework and by monitoring and responding to potential risks, the company is able to manage risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment procedures.

NOTE 5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In application of the company's accounting policies, which are described in Note 3, the directors and the management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates 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. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

The company does not have any significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 30 JUNE 2015**

NOTE 6. REVENUE	2015	2014
Rice	\$ 26,072,929	23,111,403
Rice offals	17,625	15,675
	<u>26,090,554</u>	<u>23,127,078</u>
Deduct : discounts and rebates	(1,005,381)	(1,171,739)
Net sales	<u>25,085,173</u>	<u>21,955,339</u>

NOTE 7. OTHER INCOME		
Exchange gain - realised	116,376	31,027
Freight income	97,268	92,742
Interest income - related party advances	125,716	119,545
Sundry income	75,667	47,631
Total other income	<u>415,027</u>	<u>290,945</u>

NOTE 8. FINANCE COSTS		
Interest expense	<u>27,606</u>	<u>25,905</u>
Total finance costs	<u>27,606</u>	<u>25,905</u>

Finance costs relate to interest expenses on advances received from related parties during the year (refer Note 20(e)) and interest charged on bank overdraft.

The bank overdraft of the company from ANZ Banking Group Limited is secured by:

- (i) First registered mortgage debenture over all assets of the company including any uncalled and unpaid premiums.
- (ii) Cross guarantee between the holding company, FMF Foods Limited, and its subsidiaries: The Rice Company of Fiji Limited, FMF Investment Company Limited, Pea Industries Fiji Limited, Biscuit Company of (Fiji) Limited, DHF Limited, Atlantic & Pacific Packaging Company Limited, FMF Snax Limited, FMF Confectionary Limited and Bakery Company (Fiji) Limited.

The bank overdraft is fully interchangeable between FMF Foods Limited, The Rice Company of Fiji Limited, FMF Investment Company Limited, Pea Industries Fiji Limited, Biscuit Company of (Fiji) Limited, DHF Limited, Atlantic & Pacific Packaging Company Limited, FMF Snax Limited and FMF Confectionary Limited.

NOTE 9. PROFIT BEFORE INCOME TAX

Profit before income tax has been determined after charging the following expenses:

Auditors' remuneration for:		
- Audit fees	9,500	9,500
- Accounting and taxation services	4,000	4,000
Insurance expense	34,609	25,650
Finance costs	27,606	25,905
Management fees	250,852	219,560
Promotional and royalty expenses	\$ 4,570	68,122

**NOTES TO THE FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 30 JUNE 2015**

NOTE 10. EARNINGS PER SHARE	<u>2015</u>	<u>2014</u>
Basic and Diluted Earnings Per Share		
Net profit for the year	\$ 2,980,906	2,131,723
Number of ordinary shares issued	6,000,000	6,000,000
Basic and diluted earnings per share	<u>50 cents</u>	<u>36 cents</u>

NOTE 11. INCOME TAX

a) Income tax expense

The prima facie tax expense on profit is reconciled as follows:

Profit before income tax	3,312,118	2,621,840
Prima facie tax thereon at 10% (2014: 18.5%)	331,212	485,040
Under provision of income tax in the prior year	-	685
Effect on deferred tax balances due to the change in income tax rate from 18.5% to 10% in 2014 / 2015	-	4,392
Income tax expense attributable to profit	<u>331,212</u>	<u>490,117</u>
Income tax expense comprises movements in:		
Advance tax	332,003	485,909
Deferred tax asset	(791)	4,208
	<u>331,212</u>	<u>490,117</u>

b) Advance tax / (Current tax liability)

Movements during the year were as follows:

Balance at the beginning of the year	47,874	(118,295)
Income tax paid, net	446,880	644,734
Transfer from VAT account to tax account	-	7,344
Under provision of income tax in the prior year	-	(685)
Tax liability for the year	(332,003)	(485,224)
Balance at the end of the year	<u>162,751</u>	<u>47,874</u>

c) Deferred tax asset

Deferred tax asset comprises the estimated future benefit at income tax rate of 10%:

Allowance for doubtful debts	5,957	5,166
Total deferred tax asset	<u>\$ 5,957</u>	<u>5,166</u>

**NOTES TO THE FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 30 JUNE 2015**

NOTE 12. TRADE AND OTHER RECEIVABLES

	<u>2015</u>	<u>2014</u>
Trade receivables (a)	\$ 3,007,883	2,927,695
Less: allowance for doubtful debts	(47,952)	(40,043)
Trade receivables, net	2,959,931	2,887,652
Other receivables (b)	279,056	29,613
Less: allowance for doubtful debts	(11,626)	(11,626)
Other receivables, net	267,430	17,987
Prepayments	4,150	3,820
VAT receivables	48,505	83,570
Total trade and other receivables, net	<u>3,280,016</u>	<u>2,993,029</u>

Ageing of trade receivables past due but not impaired:

30 - 60 days	938,016	970,282
61 - 90 days	189,059	214,052
Over 90 days	97,727	91,577
Total	<u>1,224,802</u>	<u>1,275,911</u>

Movement in the allowance for doubtful debts:

Opening balance	51,669	50,675
Impairment losses recognised on receivables	7,909	994
Closing balance	<u>59,578</u>	<u>51,669</u>

Trade receivables principally comprise amounts outstanding for sale of packed rice.

Trade receivables are non-interest bearing and are generally settled on 0 - 30 days terms.

(a) Trade receivables include receivable from holding company, FMF Foods Limited, amounting to \$81,018 (2014: \$Nil).

(b) Other receivables include receivable from holding company, FMF Foods Limited, amounting to \$267,167 (2014: \$17,984).

NOTE 13. INVENTORIES

Finished goods	1,343,814	2,115,775
Packaging materials	195,180	110,301
Goods in transit	2,021,845	1,883,237
Spare parts	5,411	6,104
Total inventories - at cost	<u>3,566,250</u>	<u>4,115,417</u>

NOTE 14. TRADE AND OTHER PAYABLES

Trade payables (a)	708,620	1,505,974
Other payables and accruals (b)	653,092	590,194
Dividend payable	31,242	31,722
Total trade and other payables	<u>\$ 1,392,954</u>	<u>2,127,890</u>

**NOTES TO THE FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 30 JUNE 2015**

NOTE 14. TRADE AND OTHER PAYABLES (Cont'd)

- (a) Trade payables principally comprise amounts outstanding for trade purchases and on-going costs. Trade payables are non-interest bearing and are normally settled on 30 - 60 days term. Trade payables include payable to holding company, FMF Foods Limited, amounting to \$25,185 (2014: \$20,349) and other related parties amounting to \$519 (2014: \$Nil).
- (b) Other payables and accruals include payable to related parties amounting to \$ Nil (2014: \$521).

NOTE 15. CASH AND CASH EQUIVALENTS

	<u>2015</u>	<u>2014</u>
Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:		
Cash at bank	\$ 5,249,252	4,356,770
Total cash and cash equivalents	<u>5,249,252</u>	<u>4,356,770</u>

NOTE 16. ISSUED CAPITAL

Authorised capital 6,000,000 ordinary shares of \$0.50 each	<u>3,000,000</u>	<u>3,000,000</u>
Issued and paid up capital 6,000,000 ordinary shares of \$0.50 each	<u>3,000,000</u>	<u>3,000,000</u>

NOTE 17. DIVIDENDS

Interim dividend	<u>1,500,000</u>	<u>1,200,000</u>
Dividends per share	<u>25 cents</u>	<u>20 cents</u>

NOTE 18. COMMITMENTS

Capital expenditure commitments as at 30 June 2015 were \$Nil (2014: \$Nil).

NOTE 19. CONTINGENT LIABILITIES

(a) Letters of credit	\$ <u>3,414,900</u>	<u>1,572,233</u>
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- (b) As disclosed in Note 8 to the financial statements, the company is providing guarantee to ANZ Banking Group Limited for borrowings by the holding company, FMF Foods Limited, and other fellow subsidiary companies.

NOTE 20. RELATED PARTY DISCLOSURES

- (a) Holding Company and Ultimate Holding Company

The holding company is FMF Foods Limited, a company incorporated in Fiji. The holding company is listed on the South Pacific Stock Exchange.

The ultimate holding company is Hari Punja Nominees Limited.

NOTES TO THE FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 20. RELATED PARTY DISCLOSURES (CONT'D)

(b) Directors

The names of persons who were directors of the company at any time during the financial year are as follows:

Hari Punja Order of Fiji, OBE- Chairman
Ajai Punja
Gary Callaghan
Pramesh Sharma - appointed on 11 December 2014
Ram Bajekal - appointed on 12 February 2015
Leena Punja (Alternate director to Hari Punja)
Rohit Punja (Alternate director to Hari Punja)

(c) Transactions with Related Parties

Significant transactions (aggregating over \$10,000) with related parties during the years ended 30 June 2015 and 2014 with transaction values are summarized as follows:

Name	Relationship	Nature of Transaction	2015 (\$)	2014 (\$)
FMF Foods Ltd	Holding company	Interest income	59,860	119,545
		Management fees	250,852	219,560
		Insurance expense recharge	34,609	25,650
Atlantic & Pacific Packaging Company Limited	Fellow subsidiary	Purchase of cartons	204,446	207,694
FMF Investment Company Limited	Fellow subsidiary	Interest income	55,705	-
DHF Limited	Fellow subsidiary	Interest expenses	<u>16,223</u>	<u>14,949</u>

(d) Advance to related parties

During the year, on call advances were given by the company to the holding company and other fellow subsidiaries:

Name	Relationship	2015 (\$)	2014 (\$)
FMF Foods Limited	Holding company	2,100,000	10,950,000
FMF Snax Limited	Fellow subsidiary	15,000	-
FMF Investment Company Limited	Fellow subsidiary	2,470,000	-
Bakery Company (Fiji) Limited	Fellow Subsidiary	450,000	-
Atlantic & Pacific Packaging Company Limited	Fellow Subsidiary	<u>50,000</u>	-

All advances were subject to interest at the rate of 2.5% and had been settled in full as at 30 June 2015.

NOTES TO THE FINANCIAL STATEMENTS [CONT'D]
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 20. RELATED PARTY DISCLOSURES (CONT'D)

(e) Advance from related parties

During the year on call advances were obtained from the following fellow subsidiaries:

Name	Relationship	2015 (\$)	2014 (\$)
Pea Industries Limited	Fellow subsidiary	180,000	-
FMF Snax Limited	Fellow subsidiary	450,000	-
DHF Limited	Fellow subsidiary	750,000	750,000
FMF Investment Company Limited	Fellow subsidiary	-	1,100,000

All advances were subject to interest at the rate of 2.5% and had been settled in full as at 30 June 2015.

(f) Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

During the financial year, no compensation was paid to key management personnel.

(g) Management Services

Management services were provided by the holding company, FMF Foods Limited (refer note 20(c)). Management services provided by the holding company include planning, directing and controlling the overall operating activities of the company.

(h) Amounts receivable from/ (payable to) related parties

Appropriate disclosures of these amounts are contained in the respective notes to the financial statements.

NOTE 21. EVENTS SUBSEQUENT TO BALANCE DATE

No matters or circumstances have arisen since the end of the financial year which would require adjustment to, or disclosure in, the financial statements.

NOTE 22. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board of directors and authorised for issue on 22 September 2015.

LISTING REQUIREMENTS OF SOUTH PACIFIC STOCK EXCHANGE
(NOT INCLUDED ELSEWHERE IN THE ANNUAL REPORT)

- (a) Schedule of each class of equity security, in compliance with listing requirements under section 6.3 (iv):

Shareholdings of those persons holding twenty (20) largest blocks of shares:

	NAME	No. of Shares	%
1	FMF FOODS LIMITED	4,500,000	75.00
2	UNIT TRUST OF FIJI (TRUSTEE COMPANY) LTD	499,292	8.32
3	BSP LIFE (FIJI) LIMITED	314,500	5.24
4	HARI PUNJA & SONS LIMITED	95,900	1.60
5	CARLISLE (FIJI) LIMITED	95,900	1.60
6	FIJI NATIONAL PROVIDENT FUND	62,302	1.04
7	KUNDAN SINGH & SONS HOLDINGS	40,000	0.67
8	REDDY'S ENTERPRISES LIMITED	32,000	0.53
9	FIJICARE INSURANCE LIMITED	22,000	0.37
10	EST OF MR.RATU SIR KAMISESE MARA	20,000	0.33
11	RADIKE QEREQERETABUA OF	20,000	0.33
12	FHL TRUSTEES LIMITED ATF FIJIAN HOLDINGS UNIT TRUST	17,652	0.29
13	LEO & JUSTIN SMITH	17,500	0.29
14	BHUPINDER KAUR LATEEF	13,000	0.22
15	GRAHAM EDEN	12,878	0.21
16	GARY STANLEY CALLAGHAN	12,500	0.21
17	GYNANDRA NAICKER, HARI RAJ NAICKER & KAMLA WATI NAICKER	12,000	0.20
18	PUSHPA WATI KAPADIA	11,000	0.18
19	PARSHU RAM	10,000	0.17
20	TOM RICKETTS	10,000	0.17

- (b) Schedule of each class of equity security, in compliance with listing requirements under section 6.31 (v):

Distribution of ordinary shareholders:

NO. OF HOLDERS	HOLDING	%
15	less than 500 shares	0.08
73	500 to 5,000 shares	2.42
6	5,001 to 10,000 shares	0.85
9	10,001 to 20,000 shares	2.28
1	20,001 to 30,000 shares	0.37
2	30,001 to 40,000 shares	1.20
0	40,001 to 50,000 shares	0
3	50,001 to 100,000 shares	4.24
2	100,001 to 1,000,000 shares	13.56
1	Over 1,000,000 shares	75.00
112		100.00

LISTING REQUIREMENTS OF SOUTH PACIFIC STOCK EXCHANGE
(NOT INCLUDED ELSEWHERE IN THE ANNUAL REPORT) - Continued

(c) Disclosure under Section 6.31 (xii):

Summary of key financial results for the previous five years for the company:

	2015	2014	2013	2012	2011	2010
Net Profit after Tax	2,980,906	2,131,723	2,057,341	1,566,561	985,318	469,631
Current Assets	12,258,269	11,513,090	9,367,472	8,772,382	7,312,629	7,563,312
Non - Current Assets	5,957	5,166	9,374	21,963	17,782	85,702
Total Assets	12,264,226	11,518,256	9,376,846	8,794,345	7,330,411	7,649,014
Current Liabilities	1,392,954	2,127,890	918,203	1,191,366	693,016	1,549,591
Non - Current Liabilities	-	-	-	1,677	2,654	-
Total Liabilities	1,392,954	2,127,890	918,203	1,193,043	695,670	1,549,591
Shareholders' Equity	10,871,272	9,390,366	8,458,643	7,601,302	6,634,741	6,099,423

(d) Disclosure under Section 6.31 (xiii) (a):

Dividend declared per share:

	2015	2014	2013	2012	2011	2010
Cents per share	25.00	20.00	20.00	10.00	7.50	7.50

(e) Disclosure under Section 6.31 (xiii) (b):

Earnings per share:

	2015	2014	2013	2012	2011	2010
Cents per share	49.68	35.53	34.29	26.11	16.42	7.83

(f) Disclosure under Section 6.31 (xiii) (c):

Net tangible assets per share:

	2015	2014	2013	2012	2011	2010
Cents per share	181.19	156.51	140.98	126.69	110.58	101.66

(g) Disclosure under Section 6.31 (xiii) (d):

Share price during the year	2015 \$	2014 \$
Highest	3.40	2.90
Lowest	2.90	2.30
On 30th June	3.40	2.90

THE RICE COMPANY OF FIJI LIMITED

Minutes of the Eighteenth Annual General Meeting, held at 4.00 p.m. on the 31st October 2014 at the Training Room of Atlantic & Pacific Packaging Company Limited, Bounty Street, Walu Bay, Suva.

.....

PRESENT

- | | | |
|-----------------------|----|------------------------------------|
| 1. Mr. Hari Punja | .. | Chairman |
| 2. Mr. Gary Callaghan | .. | Director |
| 3. Mr. Ram Bajekal | .. | Chief Executive Officer |
| 4. Mr. Pradeep Patel | .. | Representing the Auditors M/S. BDO |

Fifteen other shareholders / proxy holders were present in person.

APOLOGIES

Mr. Ajai Punja
Mr. Kumar Shankar

SHARE REGISTER & STATUTORY REGISTERS

The Share Register containing all the relevant details of the Shareholders of the company and the Statutory Register were placed on the Table and remained open for inspection during the meeting.

QUORUM

The required quorum being present, the Chairman declared the meeting open.

CONFIRMATION OF THE MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING HELD ON 31st October 2013.

Proposed by: Mr. Satya Narayan
Seconded by: Mr. Mahendra Pal

The motion as proposed and seconded by the above named persons was put to vote. By a show of hands, the meeting approved the motion and confirmed the minutes of the previous Annual General Meeting held on 31st October 2013 without any objection.

MATTERS ARISING OUT OF EARLIER MINUTES

Nil

TO RECEIVE AND ADOPT THE AUDITED BALANCE SHEET AND PROFIT AND LOSS STATEMENT AND THE REPORTS OF THE DIRECTORS AND AUDITORS FOR THE YEAR ENDED 30TH JUNE 2014.

Proposed by: Mr. Satya Narayan
Seconded by: Mr. Hari Raj Naicker

The motion as proposed and seconded by the above named persons was put to vote. Thereafter by a show of hands, the meeting approved the motion and adopted the Audited Balance Sheet and Profit and Loss Statement and the reports of the Directors and Auditors for the year ended 30th June 2014 without any objection.

Contd...

THE RICE COMPANY OF FIJI LIMITED

Minutes (Contd)

TO ELECT IN ACCORDANCE WITH ARTICLE 99 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY, MR. HARI PUNJA AS A DIRECTOR OF THE COMPANY.

Proposed by: Mr. Gary Callaghan

Seconded by: Ms. Shalvina Shalini

The motion as proposed and seconded by the above named persons was put to vote.

By a show of hands, the meeting approved the motion and elected Mr. Hari Punja as a Director of the company without any objection

TO APPOINT AUDITORS FROM THE CONCLUSION OF THIS MEETING UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING.

Proposed by: Mr. Hari Punja

Seconded by: Mr. Maganlal Mohanlal

The motion as proposed and seconded by the above named persons was put to vote.

By a show of hands, the meeting approved the motion and confirmed, without any objection, the Appointment of M/s BDO, Chartered Accountants, as the Statutory Auditors of the company to hold the office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at a fee to be negotiated by the Directors.

GENERAL DISCUSSION:

The Chairman read out some sections from the Chairman's Report and there was a general discussion on the operations of the company.

VOTE OF THANKS TO THE CHAIR:

Proposed by: Mr. Hari Raj Naicker

Thereafter the Chairman declared the meeting as closed.

Sd/-

Chairman

**THE RICE COMPANY OF FIJI LIMITED
PROXY FORM**

Share Folio No.

No. of shares held

The Company Secretary
The Rice Company Of Fiji Limited
P O Box 977,
Suva, Fiji.

I/WE

Of

Being a member(s) of **THE RICE COMPANY OF FIJI LIMITED** hereby

appoint

of.....

or failing him/her.....

of.....

as my/our proxy to vote on my/our behalf at the Annual General Meeting of the company, to be held at 3.00 p.m. on 30th October 2015 and at any adjournment thereof.

As witness to my/our hands this.....day of2015, at

Signed by the said member (s)

In the presence of (Witnessed by).....

In the case of a body corporate, this form should be under its Seal or be signed by an officer or an attorney duly authorized by it.

Proxies must be received at the Registered Office of the Company no less than **48 hours** prior to the time appointed for holding of the meeting.

As per Article 80 of the company, a member may appoint not more than two proxies. If one proxy is appointed, that proxy shall be entitled to vote on a show of hands. If two proxies are appointed, neither shall be entitled to vote on a show of hands and the appointment shall be of no effect unless each proxy is appointed to represent a specified proportion of the members voting rights.

For office use only:

Proxy received on _____ at _____ am / pm by _____