VISION INVESTMENTS LIMITED

2017 ANNUAL REPORT

This Annual Report is dated 28th July 2017

Enriching Families in Fiji and the Pacific
Since 1920

COURTS
Quality Brands! Great Choice!

VISION MOTORS

MIF
MAHOGANY INDUSTRIES (FIJI)

VISION HOMECENTRES
Quality Brands! Great Choice!

VF VISION FINANCE

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CHAIRMAN'S REVIEW

A positive and vibrant economy will contribute to the continuing success of the Company.

I am pleased to present the Company's Annual Report for the year ended 31st March 2017. The financial statements presented in this Report, have been prepared on a Group basis including the results of the Company's fully owned subsidiary – Vision Homecentres Limited incorporated in PNG.

The Group performed satisfactorily in the year. The Group achieved a net profit after tax of $18.4 million on a turnover of $ 170.3 million. Although these operating outcomes are a significant increase over the previous year, the results are not directly comparable.

The current year financials for the first time includes the financials of the Company's subsidiary – Vision Homecentres Limited operating in PNG. Vision Homecentres Limited commenced setting up operation in March 2016 and started trading in February 2017. Hence due to the prolonged set up costs and short trading period of less than 2 months until the end of the year, the subsidiary made a trading loss, which is included in the Group financial statements. Although currently the trading is subdued, we are hopeful with the completion of the national elections in PNG, markets will assume normalcy and trading will bounce back. The expansion to PNG is in line with our strategy to expand operations into regional pacific markets.

I am also pleased to report the current year operating results exceeded the corresponding prospective financials disclosed in the Information Memorandum that was issued to the market leading up to the Company's listing on the SPSE.

It is extremely pleasing to note as at 24th July 2017, the Company's shares are trading at a price of $2.30 per share on the South Pacific

Stock Exchange (SPSE). This represents a significant capital appreciation within a relatively short period of 17 months, to all individual and institutional shareholders who purchased shares at the time of listing of the Company in February 2016. This is in addition to the steady stream of dividends distributed to the shareholders since the listing and in line with the prospective dividend undertakings shown in the Information Memorandum.

The Founder Shareholders through the Brokers will encourage first time investors to buy shares in the Company to facilitate wider participation of the community in share trading, to complement the work being done in this area by the SPSE. As pointed out in the previous year Review, the Founder Shareholders have agreed to retain 60% of the shareholding in the Company for a minimum 5 years from November 2015, so that the Group can continue to benefit from the collective expertise and business acumen of these shareholders.

Out of the net earnings for the current year, the Directors declared total dividends of $10,117,519, equivalent to 9.75 cents per share, compared to the 9.59 cents per share paid out last year. The intention of the Directors is to maintain a steady stream of dividends to the shareholders, after allowing for prudent reinvestment of profits for the growth of the Group.

The Directors and the Board Subcommittees held meetings at various times during the year as mentioned elsewhere in this report. It is gratifying to note the work being done by the various Board Subcommittees, are helping inter alia - to strengthen the Company's governance structures, HR practices and to understand and manage the different risks impacting the Group.

In order to comply with the SPSE regulations to have 1/3 of the Board as independent directors and to recognize the gender diversity on Boards as promoted by the Reserve Bank of Fiji, the Company on 27th June 2017, appointed Ms. Carina Hull as an independent director of the Company. The Company now has 9 Directors, 3 of whom are independent directors. I am very pleased to welcome Ms. Hull to the Board. Ms. Hull has extensive experience in human resource and leadership development and I look forward to her valuable contribution in strengthening and developing the Company's HR function.

For a relatively small market the size of Fiji, the level of competition is quite remarkable and intense. In this situation we need to build on our competitive advantages to protect our market share and constantly look for new business opportunities to grow the Company. This will be our focus.

We will continue with our work to make our working environments conducive to bring out the best in our people.

The Fiji economy continues to grow year on year with consistent and stable fiscal policies. Confidence levels are high. The monetary outlook is stable with prudently managed foreign reserves. Inward foreign currency remittances continue to grow. Major sectors of the economy such as tourism, construction, retail - continue to show steady growth. We anticipate the work being done to revive the sugar sector will be successful and soon will provide a significant boost to the economy. The recent Government Budget is expansionary and will lead to higher disposable incomes across the economy. A positive and vibrant economy will contribute to the continuing success of the Company.

I take this opportunity to welcome all employees of the Company's subsidiary – Vision Homecentres Limited based in PNG.

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

Dilip Khatri
Chairman

CEO'S REVIEW

> Whilst looking out for new opportunities to grow the business, we will continue to focus on maximizing returns from our existing resources and operations.

The Group performed strongly in the year with revenue increasing to $170.3million and net earnings increasing to $18.4million. As a result earnings per share increased from 15 cents per share to 18 cent per share. The revenue and after tax profits, exceeded the corresponding prospective financials that were disclosed in the Information Memorandum issued in connection with the listing of the Company on the South Pacific Stock Exchange (SPSE).

The Group Financials for the first time includes the financials of the Company's fully owned subsidiary – Vision Homecentres Limited operating in PNG.

Subsequent to Winston Cyclone -a severe category 5 storm which hit the Country on 20th February 2016, the Fiji National Provident Fund released a significant sum reportedly in excess of $270 million, as Cyclone Winston relief assistance to its members. This created a surge in consumer demand across the economy, which also helped to boost the sales of the Company particularly in the first half of the financial year.

The current year operating statement includes the full 12 months operating results of all business units of the Company. During the initial restructuring process leading up to the listing of the Company on the SPSE, the Company acquired the businesses of Vision Motors, Vision Finance and Mahogany Industries Fiji on 1st July 2015. Therefore in the financial statements, the previous year's income statement includes only 9 months operating results of these business units. The income tax expense was also significant lower in the current year with the application of the 10% income tax rate applicable to public listed companies. In the previous year, an income tax rate of 20% was applicable for most part of the year. Due to these reasons, the current year income statement cannot be directly compared with the previous year.

A significantly higher bad debt impairment charge was taken in the income statement due to a higher delinquency in the Company's consumer loan portfolio. With the discontinuation of the Country's only credit bureau on 27th April 2016, there is lack of visibility of the debt profile and credit history of customers. Some customers are not disclosing their debt commitments and taking on debt obligations which they cannot afford, eventually leading to higher delinquency rates. To manage the situation, the Company has strengthened its credit appraisal processes which is resulting in some loss of business, but is necessary to protect the interests of the Company and also the customers.

The Balance Sheet was strong with total assets increasing 13% to $141.7million. Correspondingly liquidity also was strong with working capital increasing 14% to $81.8million and current assets 3.3 times current liabilities. The debt to equity gearing was consistent with last year and at a comfortable level to allow additional borrowing if the need arises to invest in new business opportunities or to fund increases in working capital with the growth of the business.

The subsidiary Vision Homecentres Limited in PNG, secured premises and commenced setting up of the business in March 2016 and started trading operations 12 months later on 3rd February 2017. The trading has been slow with a subdued economy due to a monetary crisis and pending national elections. The generally held view and we are also optimistic, that after the announcement of the election results scheduled for end of July, the machinery of the PNG Government will assume normalcy and the economy will bounce back with the commencement of large scale construction and gas projects. Due to the prolonged set up costs and subdued trading over a short period, Vision Homecentres Limited incurred a trading loss, which is included in the Group consolidated financial statements.

As at the date of this report, the Company opened a Tier 1 Courts store at the Rups Complex in Nakasi. The Company also at the same time launched "Courts Essentials" – a new category of high quality variety with break out pricing. Over the next couple of months, "Courts Essentials" will be rolled out to other prime locations in the Country, providing a new line of revenue for the Company.

As at the date of this report, the Company also opened a newly branded Courts Clearance Outlet at the previous Courts store location at Tebara Plaza Nakasi. This store will provide an outlet for the Company's clearance stock.

The Company will continue to focus on growing the "Best Buys for Business" in Fiji and PNG, which is the B2B business of the Company. We intend to position this business to become a major source of revenue for the Company. With our wide range of products, low prices due to higher buying volumes and expertise in the specific areas, we will be able to provide real value for money solutions to our business customers. The high ethical standards that govern our business practices will provide further assurance to business owners of receiving real value when dealing with "Best Buys for Business".

The Government is intending to replace the Consumer Credit Act with altogether new legislation. A bill has been circulated for review by the stakeholders and the Company is carefully reviewing the provisions to prepare for compliance when the Bill is eventually enacted.

In line with the Company's mandate to comply with environmental friendly practices, the Company in the New Year intend to trial solar energy installations in some of the key sites.

The Company will continue to embrace new channels to strengthen our connections to our customers. People and leadership development will remain a key priority. Whilst looking out for new opportunities to grow the business, we will continue to focus on maximizing returns from our existing resources and operations.

P.L.Munasinghe
Chief Executive Officer

KEY FINANCIAL RESULTS SUMMARY

KEY FINANCIAL PERFORMANCE	2017	2016	VAR(%)
REVENUE ($)	170,337,695	134,696,350	26%
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION ($)	26,777,165	22,533,854	19%
PROFIT BEFORE TAX ($)	20,552,256	16,086,779	28%
NET PROFIT AFTER TAX ($)	18,396,597	11,472,919	60%
NET CASH FLOW (FROM OPERATING ACTIVITY) ($)	3,170,398	20,466,023	-85%
DIVIDENDS (out of respective Financial Year Profits)	10,117,519	9,712,634[1]	4%
TOTAL ASSETS ($)	141,713,223	125,910,375	13%
TOTAL LIABILITIES ($)	66,158,216	58,473,068	13%
SHAREHOLDERS EQUITY ($)	75,555,007	67,437,307	12%
WORKING CAPITAL ($)	81,760,373	71,436,164	14%
EARNINGS PER SHARE (Cents)	18.00	15.00	20%
DIVIDENDS PER SHARE (Cents)	9.75[2]	9.59	2%
CURRENT RATIO (TIMES)	3.33	3.52	-5%
DEBT TO EQUITY RATIO	0.88:1	0.87:1	1%
INTEREST COVER (TIMES)	13.1	7.6	72%
MARKET PRICE as at 31 MARCH ($)	2.08	1.75	19%
ISSUED SHARES	103,769,425	103,769,425	
NET TANGIBLE ASSETS PER SHARE ($)	0.72	0.65	11%
MARKET CAPITALISATION ON SPSE as at 31 MARCH ($)	215,840,404	181,596,494	19%

[1] Dividends of $9,712,634 comprised of interim dividend of 3.75 cents per share amounting to $3,652,500 declared on 30 September 2015 based on issued shares of 97,400,000 (prior to issue of additional shares to International Finance Corporation) and second interim dividend of 5.84 cents per share amounting to $6,060,134 declared on 17th June 2016 based on issued shares of 103,769,425 (following issue of additional shares of 6,369,425 to International Finance Corporation after the listing of the Company on 29th February 2016).

[2] Dividends per share of 9.75 cents comprises of interim dividend of 4.00 cents per share declared on 04th November 2016 and second interim dividend of 5.75 cents per share declared on 28th June 2017.

DIRECTORS' REPORT

In accordance with a resolution of the Board of Directors, the directors herewith submit the statement of financial position of the Group as at 31 March 2017, and the related statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and report as follows:

1. DIRECTORS

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

Dilip Khatri
Navin Patel
Suresh Patel
Dinesh Patel
Satish Parshotam
Ratu Aisea Waka Vosailagi
David Evans
Suliano Ramanu
Carina Hull - appointed 27 June 2017

2. PRINCIPAL ACTIVITIES

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

3. TRADING RESULTS

The net profit after income tax of the Group for the year ended 31 March 2017 was $18,448,252 (2016: $11,472,919).

4. DIVIDENDS

The directors declared an interim dividend of $4,150,777 on 4 November 2016.

5. GOING CONCERN

The financial statements of the Group have been prepared on a going concern basis. We consider the application of the going concern principle to be appropriate in the preparation of these financial statements as we believe that the Group has adequate funds to meet its liabilities as and when they fall due over the next twelve months.

6. BAD AND DOUBTFUL DEBTS

The directors took reasonable steps before the Group's financial statements were made out to ascertain that all known bad debts were written off and adequate provision was made for doubtful debts.

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

7. CURRENT ASSETS

The directors took reasonable steps before the Group's financial statements were made out to ascertain that the current assets of the Group were shown in the accounting records at a value equal to or below the value that would be expected to be realised in the ordinary course of business.

At the date of this report, the directors are not aware of any circumstances which would render the values attributable to the current assets in the financial statements misleading.

DIRECTORS' REPORT - Continued

8. DIRECTORS' BENEFIT

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

9. EVENTS SUBSEQUENT TO BALANCE DATE

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

10. BASIS OF PREPARATION

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

11. OTHER CIRCUMSTANCES

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

Signed in accordance with a resolution of the directors this ......27......day of...JUNE.... 2017.

For and on behalf of the Board:

....	....
Director	Director

DIRECTORS' DECLARATION

This directors' declaration is required by the Companies Act, 2015.

The directors of the Holding Company have made a resolution that declared:

(a) In the directors' opinion, the attached financial statements for the financial year ended 31 March 2017:

i. give a true and fair view of the financial position of the Group as at 31 March 2017 and of the performance of the Group for the year ended 31 March 2017;

ii. have been prepared in accordance with the Companies Act 2015.

(b) They have received declarations as required by Section 395 of the Companies Act 2015;

(c) At the date of this declaration, in the directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors this ....27...... day of ..JUNE.. 2017.

For and on behalf of the Board:

....
Director

....
Director

pwc

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF VISION INVESTMENTS LIMITED

As group auditor for the audit of Vision Investments Limited and its subsidiary for the financial year ended 31 March 2017, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the Companies Act 2015 in relation to the audit; and

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

This declaration is in respect of Vision Investments Limited and the entity it controlled during the financial year.

PricewaterhouseCoopers
Chartered Accountants
PricewaterhouseCoopers

by

Kaushick Chandra
Partner

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Vision Investments Limited

Report on the audit of the consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements of Vision Investments Limited and its subsidiary (together the 'Group'), which comprise the consolidated statement of financial position as at 31 March 2017, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

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

Independence

We are independent of the Group in accordance with the ethical requirements of the International Ethics Standards Board for Accountant's Code of Ethics for Professional Accountants (IESBA Code) that are relevant to our audit of the consolidated financial statements in Fiji, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key audit matter	How our audit addressed the key audit matter
Existence and Valuation of Inventory **Refer also to Notes 1(e) and 10** The Group carries a significant amount of inventory due to the nature of its operations and different segments it operates in. Inventory is held at numerous warehouses and branch outlets. The various categories of inventory held by the Group is detailed in Note 10. Ascertaining the existence and valuation of inventory is relatively straight forward and the application of judgement is limited. As such, inventory is not an area of significant risk for our audit. However we focused on this area because of the nature and quantum of inventory items held, its significance to the Group's financial position, and the significant time and resource required to audit the existence and valuation of inventory.	Our audit procedures included, amongst others, the following in response to the existence and valuation of inventory: • Understanding, evaluating the appropriateness of, and where applicable validating the Group's accounting policies, processes and controls over inventory. • Attendance at inventory cycle counts spread across a sample of branches and warehouses in the final quarter of the year to ensure cycle counts were performed in accordance with the Group's policies, and cycle count objectives were achieved. • Reviewing a sample of the Group's inventory cycle count documentation for counts and locations not physically attended by us. • Attendance at annual inventory counts for selected divisions and inventory items to ensure existence of inventory at balance date. • Testing supporting evidence for inventory in transit. • Testing supporting evidence for and recalculating inventory costs reported by the Group. • Testing the net realizable value of a sample of inventory items susceptible to higher risk of obsolescence to ensure that valuations were at lower of cost or net realizable value. • Assessing the adequacy of provision for impairment of inventory in accordance with the Group's accounting policy, and in light of the ageing of inventory and historical and current levels of inventory write-offs. • Evaluation of the relevant IT systems and the design and operating effectiveness of controls over the capture and recording of inventory transactions. The testing we carried out as described above gave us sufficient audit evidence to address the aforementioned risks over inventory.

Other Information

Directors and management are responsible for the other information. The other information comprises the information included in the Group's Annual Report for the year ended 31 March 2017 (but does not include the consolidated financial statements and our auditor's report thereon).

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and Management for the Consolidated Financial Statements

Directors and Management are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and with the requirements of the Fiji Companies Act 2015, and for such internal control as the directors and management determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors and Management are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors and Management either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Directors and Management are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors and management.

- Conclude on the appropriateness of the directors' and management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with Directors and Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with Directors and Management, we determine those matters that were of most significance in the audit of the consolidated financial statements for the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion the consolidated financial statements have been prepared in accordance with the requirements of the Fiji Companies Act 2015 in all material respects, and;

a) we have been given all information, explanations and assistance necessary for the conduct of the audit; and
b) the Group has kept financial records sufficient to enable the consolidated financial statements to be prepared and audited.

Restriction on Distribution or Use

This report is made solely to the Company's shareholders, as a body, in accordance with Section 396(1) of the Fiji Companies Act 2015. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

PricewaterhouseCoopers

PricewaterhouseCoopers

Kaushick Chandra
Partner

Suva, Fiji
27 June 2017

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME YEAR ENDED 31 MARCH 2017

	Notes	2017 $	2016 $
Revenue	5	170,337,695	134,696,350
Cost of sales		(106,728,559)	(82,690,482)
Gross profit		63,609,136	52,005,868
Other income		2,199,322	2,326,264
Administrative costs		(27,056,680)	(21,835,228)
Other costs		(16,497,097)	(13,969,388)
Operating profit before finance costs and taxes	6	22,254,681	18,527,516
Finance costs		(1,702,425)	(2,440,737)
Profit before income tax		20,552,256	16,086,779
Income tax expense	7(a)	(2,155,659)	(4,613,860)
Profit for the year from continuing operations		18,396,597	11,472,919
Other comprehensive income:			
Items that may be reclassified to profit or loss			
Foreign currency translation differences		51,655	-
Other comprehensive income for the year		51,655	-
Total comprehensive income for the year		$ 18,448,252	$ 11,472,919
Earnings per share from continuing operations attributed to members:			
- Basic earnings per share	19	$ 0.18	$ 0.15
- Diluted earnings per share	19	$ 0.18	$ 0.15

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Notes	2017 $	2016 $
ASSETS			
Non-current assets			
Trade receivables	9	8,352,412	11,091,438
Amounts owing by related parties	15(d)	627	-
Plant and equipment	11	14,534,639	13,710,099
Intangible assets	12	769,628	314,501
Deferred income tax asset	7(c)	1,232,817	980,420
		24,890,123	26,096,458
Current assets			
Cash on hand and at bank	13	2,748,800	2,590,525
Trade receivables	9	48,761,279	43,275,507
Other receivables and prepayments		4,582,606	7,316,345
Inventories	10	60,730,415	46,631,540
		116,823,100	99,813,917
Total assets		$ 141,713,223	$ 125,910,375
EQUITY			
Issued capital	8	58,699,997	58,699,997
Foreign currency translation reserve		51,655	-
Retained earnings		16,803,355	8,737,310
		75,555,007	67,437,307
LIABILITIES			
Non-current liabilities			
Borrowings	18	30,844,375	29,844,905
Amounts owing to related parties	15(e)	251,114	250,410
		31,095,489	30,095,315
Current liabilities			
Trade payables		5,054,888	11,054,700
Other payables and accruals		7,670,455	5,386,855
Bank overdraft	13	17,864,442	7,573,737
Current income tax liability	7(b)	92,949	1,246,462
Borrowings	18	3,164,665	2,042,222
Leave entitlements	14	1,215,328	1,073,777
		35,062,727	28,377,753
Total liabilities		66,158,216	58,473,068
Total equity and liabilities		$ 141,713,223	$ 125,910,375

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

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

Signed in accordance with a resolution of the directors this ......27...... day of ......JUNE...... 2017.

For and on behalf of the Board:

....
Director

....
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 MARCH 2017

	Notes	Issued capital $	Asset realisation reserve $	Foreign Currency Translation $	Retained earnings $	Total equity $
Balance at 31 March 2015		36,232,000	347,308	-	569,583	37,148,891
Comprehensive income						
Profit for the year		-	-	-	11,472,919	11,472,919
Other comprehensive income		-	-	-	-	-
Total comprehensive income		-	-	-	11,472,919	11,472,919
Loan forgiven by related company	15(e)	-	-	-	12,583,851	12,583,851
Above amount distributed to shareholders	15(e)	-	-	-	(12,583,851)	(12,583,851)
Proceeds from shares issued		22,467,997	-	-	-	22,467,997
Dividends		-	-	-	(3,652,500)	(3,652,500)
Other movements						
Transfer to retained earnings		-	(347,308)	-	347,308	-
Balance at 31 March 2016		58,699,997	-	-	8,737,310	67,437,307
Comprehensive income						
Profit for the year		-	-	-	18,396,597	18,396,597
Tax on undistributed profits paid		-	-	-	(119,641)	(119,641)
Other comprehensive income		-	-	51,655	-	51,655
Dividends		-	-	-	(10,210,911)	(10,210,911)
Balance at 31 March 2017		$ 58,699,997	$ -	$ 51,655	$16,803,355	$75,555,007

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

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2017

	Notes	2017 $	2016 $
Cash flows from operating activities			
Receipts from customers		173,666,837	134,259,206
Payments to suppliers and employees		(165,112,804)	(108,471,022)
Cash generated from operations		8,554,033	25,788,184
Income tax paid	7(b)	(3,561,569)	(2,881,424)
Tax on undistributed profits paid		(119,641)	-
Interest paid		(1,702,425)	(2,440,737)
Net cash generated from operating activities		3,170,398	20,466,023
Cash flows from investing activities			
Purchase of plant and equipment and intangible assets		(5,527,047)	(883,530)
Proceeds from sale of plant and equipment		271,863	554,198
Payment for acquisition of net assets of Vision Motors Limited, Vision Finance Limited and Mahogany Industries (Fiji) Limited		-	(517,494)
Cash and bank overdraft acquired from Vision Motors Limited, Vision Finance Limited and Mahogany Industries (Fiji) Limited		-	(8,210,780)
Net cash used in investing activities		(5,255,184)	(9,057,606)
Cash flows from financing activities			
Redraw / (Advance payment) of term loan		4,000,000	(10,000,000)
Repayment of borrowings		(1,878,087)	(2,637,954)
Net amounts paid to related parties		-	(1,924,176)
Proceeds from issue of shares		-	22,467,997
Dividends paid		(10,210,911)	(3,652,500)
Capital gain distributed to shareholders		-	(12,583,851)
Net cash used in financing activities		(8,088,998)	(8,330,484)
Net (decrease) / increase in cash held		(10,173,784)	3,077,933
Cash and cash equivalents at the beginning of the year		(4,983,212)	(8,061,145)
Effect of exchange rate movement on cash and cash equivalents		41,354	-
Cash and cash equivalents at the end of the year	13	($ 15,115,642)	($ 4,983,212)
		=============	=============

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

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) General Information

Vision Investments Limited ('the Company') and its subsidiary Vision Homecentres Limited (together forming 'the Group') engage in the sale of furniture, household electrical items, general merchandise and the financing of these products at a margin, manufacture of furniture and joinery works; and trading, leasing and repair of motor vehicles, vehicle rentals and spare parts, and insurance agency. The Company is a limited liability company incorporated and domiciled in the Republic of Fiji and the subsidiary is incorporated and domiciled in Papua New Guinea. The Company is listed on the South Pacific Stock Exchange.

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

2017 is the first year in which the financial statements of Vision Investments Limited have been consolidated with its subsidiary Vision Homecentres Limited.

These financial statements were authorised for issue by the Board of Directors on 27 June 2017.

(b) Basis of preparation

The financial statements are general purpose financial statements and have been prepared in accordance with the requirements of the Fiji Companies Act, 2015 and the International Financial Reporting Standards (IFRS).

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

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

i) New and amended standards adopted by the Group
There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 April 2016 that have a material impact on the Group.

ii) New standards and interpretations not yet adopted
Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2017 reporting periods and have not been early adopted by the Group. The Group is yet to assess the impact of these new standards and interpretations.

IFRS 9, '***Financial Instruments***' – addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss.

The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Group intends to adopt IFRS 9 on its effective date.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

(b) Basis of preparation – Continued

ii) New standards and interpretations not yet adopted – Continued

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

The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Group intends to adopt IFRS 15 on its effective date.

IFRS 16, 'Leases' – replaces the current guidance in IAS 17. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Under IAS 17, a lessee was required to make a distinction between a finance lease (on balance sheet) and an operating lease (off balance sheet). IFRS 16 now requires a lessee to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. Included is an optional exemption for certain short-term leases and leases of low-value assets; however, this exemption can only be applied by lessees.

The standard is effective for accounting periods beginning on or after 1 January 2019. Early adoption is permitted but only in conjunction with IFRS 15, 'Revenue from contracts with customers.' The Group intends to adopt IFRS 16 on its effective date.

(c) Principles of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from intercompany transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

(d) Plant and equipment

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

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

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

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

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

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

(e) Intangible assets

Computer software

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

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

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

(f) Current and deferred income tax

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

(f) Current and deferred income tax - continued

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

(g) Inventories

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

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

(h) Leases

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

(i) Revenue recognition

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

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

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

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

The results from the use of sum of digits method is materially consistent with income recognition under the effective interest rate method.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

(i) Revenue recognition – continued

Vehicle repairs
Revenue is recognised when services are rendered to a customer.

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

(j) Financial assets

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

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

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

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

(k) Impairment of financial assets

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

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

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

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

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

(l) Impairment of non-financial assets

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

(m) Trade receivables

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

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

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

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

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

(n) Employee benefits

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

(o) Trade and other payables

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

(p) Cash and cash equivalents

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

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

(q) Borrowings

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

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

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

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

(r) Provisions

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

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

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

(s) Dividend distribution

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

During the year, an interim dividend of $0.04 per share (2016: $0.04) was declared.

(t) Earnings per share

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

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

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

(u) Foreign currency translation

(i) Functional and presentation currency
The financial statements are presented in Fiji dollars, which is the functional and presentation currency of the Group.

(ii) Transactions and balances
Transactions denominated in a foreign currency are initially recorded in the functional currency at the exchange rate on the date of the transaction.

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

(iii) Group companies
The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

(v) Comparative figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year. The comparatives include results of the Holding Company only, as there was no subsidiary operations in prior year.

(w) Segment reporting

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

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

2 FINANCIAL RISK MANAGEMENT

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

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

(a) Market risk

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

Management has set up a policy to require the Company and the Group to manage their foreign exchange risk against their 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 Group are required to seek quotations from recognised banks and use the most favourable exchange rate for purposes of the settlement.

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

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

	31 March 2017				31 March 2016			
	USD	**NZD**	**AUD**	**SGD**	**USD**	**NZD**	**AUD**	**SGD**
Trade payables	1,173,943	645,909	413,497	154,889	854,625	788,898	163,006	-

(ii) Cash flow interest rate risk
As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

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

At 31 March 2017, if interest rates on borrowings and bank overdraft had been 10 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been $51,873 (2016: $39,219) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

2 FINANCIAL RISK MANAGEMENT – Continued

(b) Credit risk

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

(c) Liquidity risk

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

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

The Group's financial liabilities are analysed below:

	Up to 1 year	1 to 2 years	2 to 5 years	Over 5 Years	Total
	$	$	$	$	$
As at 31 March 2017					
Bank overdraft	17,864,442	-	-	-	17,864,442
Borrowings	3,164,665	30,844,375	-	-	34,009,040
Trade and other payables	13,940,671	-	-	-	13,940,671
Total	34,969,778	30,844,375	-	-	65,814,153
As at 31 March 2016					
Bank overdraft	7,573,737	-	-	-	7,573,737
Borrowings	2,042,222	29,844,905	-	-	31,887,127
Trade and other payables	17,515,332	-	-	-	17,515,332
Total	27,131,291	29,844,905	-	-	56,976,196

3 CAPITAL RISK MANAGEMENT

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

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

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

3 CAPITAL RISK MANAGEMENT – Continued

The gearing ratios at 31 March 2017 and 31 March 2016 were as follows:

	2017 $	2016 $
Total borrowings	34,009,040	31,887,127
Add: Cash and cash equivalents (note 13)	15,115,642	4,983,212
Net debt	49,124,682	36,870,339
Total equity	75,555,007	67,437,307
Total capital	$ 124,679,689	$ 104,307,646
Gearing ratio	39%	35%

The Group has complied with the financial covenants of its borrowing facilities.

4 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

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

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

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

(a) Significant estimates and judgements

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

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

5 REVENUE

	2017 $	2016 $
Retail	122,840,890	102,001,196
Service charges	17,806,365	16,508,297
Motor vehicle sales, lease and repairs	29,690,440	16,186,857
	$ 170,337,695	$ 134,696,350

6 PROFIT BEFORE INCOME TAX

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

	2017 $	2016 $
Amortisation and depreciation	4,522,484	4,006,338
Auditors' remuneration:		
- Audit	113,000	85,000
- Other services	17,253	49,807
Bad debts written off	188,749	39,547
Directors' fees	193,750	109,468
Management fees	2,072,363	600,000
Exchange loss / (gain)	293,933	(426,028)
FNPF	1,663,054	1,328,376
FNU levy	166,215	124,406
Gain on disposal of plant and equipment	(94,681)	(48,500)
Inventory write-offs	560,564	243,393
Salaries and wages	15,583,114	10,210,061
Stock exchange listing expenses	-	706,205
Movement in provisions:		
- Annual leave	130,831	138,714
- Impairment loss: Doubtful debts	1,176,947	201,763
- Stock obsolescence	491,496	440,991
Finance costs attributable to:		
- external borrowings	1,702,425	1,932,269
- related party borrowings	-	508,468

7 INCOME TAX

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

	2017 $	2016 $
Current tax:		
Current tax on profits for the year	2,555,025	4,009,877
Prior year adjustment	(146,969)	-
Total current tax	2,408,056	4,009,877
Deferred tax:		
Origination and reversal of temporary differences	(280,225)	(500,453)
Prior year adjustment	27,828	-
Impact of change in tax rate	-	1,104,436
Total deferred tax	(252,397)	603,983
Income tax expense	$ 2,155,659	$ 4,613,860

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

	2017 $	2016 $
Operating profit before tax	$ 20,552,256	$ 16,086,779
Prima facie tax	2,055,226	3,138,473
Tax effect of:		
- Stock exchange listing expenses	-	(56,178)
- Non-deductible and other items	111,711	427,129
- Change in tax rate	-	1,104,436
- Tax losses not recognised (note 7(d))	323,590	-
- Difference in overseas tax rates	(215,727)	-
- Prior year adjustments	(119,141)	-
Income tax expense	2,155,659	4,613,860
Movement in temporary differences	252,397	(603,983)
	2,408,056	4,009,877
Opening current income tax (asset)/ liability	1,246,462	118,009
Tax paid	(3,561,569)	(2,881,424)
Current income tax liability	$ 92,949	$ 1,246,462

Change in tax rate - 2016
Following the listing of the Holding Company's shares on the South Pacific Stock Exchange in 2016, deferred tax balances were restated at a rate of 10% applicable to listed entities. The impact of the change in tax rate of $1,104,436 was recognised in tax expense in profit or loss.

7 INCOME TAX – Continued

(c) Deferred income tax asset

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

	Plant and equipment $	Provisions $	Total $
At 1 April 2016	105,795	874,625	980,420
Prior year adjustments	(703)	(27,125)	(27,828)
Charged to profit or loss	45,230	234,995	280,225
At 31 March 2017	$ 150,322	$ 1,082,495	$ 1,232,817

(d) Tax losses

	2017 $	2016 $
Unused tax losses for which no deferred tax asset has been recognised	1,078,632	-

The unused tax losses were incurred by the subsidiary company and it is not probable to generate taxable income in the foreseeable future. These tax losses are available for carry forward for a period of 20 years from the year in which losses were incurred.

8 CAPITAL AND RESERVES

(a) Issued and paid up capital

	2017 $	2016 $
97,400,000 ordinary shares @ $0.50 each	48,700,000	48,700,000
6,369,425 ordinary shares @ $1.57 each	9,999,997	9,999,997
103,769,425 ordinary shares	$ 58,699,997	$ 58,699,997

(b) Foreign Currency Translation Reserve

Foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries during the consolidation process.

9 TRADE RECEIVABLES

	2017 $	2016 $
Current		
Gross trade receivables	57,841,777	51,127,343
Less: Unearned service charges	(6,615,344)	(6,544,961)
Present value of trade receivables	51,226,433	44,582,382
Provision for impairment loss	(2,465,154)	(1,306,875)
	$ 48,761,279	$ 43,275,507
Non-current		
Gross trade receivables	12,917,902	15,949,525
Less: Unearned service charges	(2,412,793)	(2,724,058)
Present value of trade receivables	10,505,109	13,225,467
Provision for impairment loss	(2,152,697)	(2,134,029)
Present value of trade receivables	$ 8,352,412	$ 11,091,438

Trade receivables that are less than one month past due are not considered impaired. As of 31 March 2017, trade receivables of $13,411,130 (2016: $15,044,207) were past due but not impaired. The ageing analysis of these trade receivables is as follows:

	2017 $	2016 $
Over 1 month	6,029,346	6,518,139
Over 2 months	7,381,784	8,526,068
	$ 13,411,130	$ 15,044,207

As of 31 March 2017, trade receivables of $4,617,851 (2016: $3,440,904) were past due and collectively provided for based on certain impairment rates in line with Group policies. The collectively impaired receivables relate mainly to balances where there has been default or delinquency in payments (more than one month past due). The ageing of these receivables is as follows:

	2017 $	2016 $
Over 1 month	194,961	151,131
Over 2 months	4,422,890	3,289,773
	$ 4,617,851	$ 3,440,904

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

	2017 $	2016 $
At 1 April	3,440,904	3,239,141
Additional provisions during the year	2,637,907	387,444
Unused amounts reversed	(1,460,960)	(160,317)
Amounts used during the year	-	(25,364)
At 31 March	$ 4,617,851	$ 3,440,904

9 TRADE RECEIVABLES – Continued

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

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

10 INVENTORIES

	2017 $	2016 $
Merchandise	39,785,495	30,682,133
Motor vehicles and associated stock	15,149,078	11,825,990
Other	2,914,536	2,460,535
Provision for impairment loss	(2,347,953)	(1,856,457)
	55,501,156	43,112,201
Goods in transit	5,229,259	3,519,339
	$ 60,730,415	$ 46,631,540

Inventories recognised as an expense during the year ended 31 March 2017 amounted to $103,799,308 (2016: $82,726,286). These were included in cost of sales.

11 PLANT AND EQUIPMENT

	Furniture & Fittings $	Motor Vehicles $	Leased Vehicles $	Work in Progress $	Total $
At 1 April 2015					
Cost	16,280,535	4,079,211	-	321,300	20,681,046
Accumulated depreciation	(11,610,522)	(2,599,391)	-	-	(14,209,913)
Net book amount	4,670,013	1,479,820	-	321,300	6,471,133
Year ended 31 March 2016					
Opening net book amount	4,670,013	1,479,820	-	321,300	6,471,133
Additions	2,676,060	1,988,457	6,713,633	476,047	11,854,197
Disposals	(357,423)	(173,611)	(69,787)	(59,941)	(660,762)
Transfers	117,459	-	-	(117,459)	-
Depreciation charge	(2,265,009)	(621,538)	(1,067,922)	-	(3,954,469)
Closing net book amount	4,841,100	2,673,128	5,575,924	619,947	13,710,099
At 31 March 2016					
Cost	18,716,631	5,894,057	6,643,846	619,947	31,874,481
Accumulated depreciation	(13,875,531)	(3,220,929)	(1,067,922)	-	(18,164,382)
Net book amount	4,841,100	2,673,128	5,575,924	619,947	13,710,099
Year ended 31 March 2017					
Opening net book amount	4,841,100	2,673,128	5,575,924	619,947	13,710,099
Additions	2,254,531	1,591,396	244,536	4,227,867	8,318,330
Disposals	(993,465)	(220,236)	(150,196)	(1,673,106)	(3,037,003)
Transfers	1,915,427	-	-	(1,915,427)	-
Net foreign exchange differences	(29,018)	(3,609)	-	-	(32,627)
Depreciation charge	(2,341,465)	(578,088)	(1,504,607)	-	(4,424,160)
Closing net book amount	5,647,110	3,462,591	4,165,657	1,259,281	14,534,639
At 31 March 2017					
Cost	19,775,057	6,715,569	7,908,054	1,259,281	35,657,961
Accumulated depreciation	(14,127,947)	(3,252,978)	(3,742,397)	-	(21,123,322)
Net book amount	$ 5,647,110	$ 3,462,591	$ 4,165,657	$ 1,259,281	$ 14,534,639

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

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

12 INTANGIBLE ASSETS

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

	Computer Software $
At 1 April 2015	
Cost	1,131,252
Accumulated amortisation	(886,554)
Net book amount	244,698
Year ended 31 March 2016	
Opening net book amount	244,698
Additions	121,672
Amortisation charge	(51,869)
Closing net book amount	314,501
At 31 March 2016	
Cost	1,252,924
Accumulated amortisation	(938,423)
Net book amount	314,501
Year ended 31 March 2017	
Opening net book amount	314,501
Additions	555,424
Net foreign exchange differences	(1,865)
Amortisation charge	(98,432)
Closing net book amount	769,628
At 31 March 2017	
Cost	1,808,348
Accumulated amortisation	(1,038,720)
Net book amount	$ 769,628

13 RECONCILIATION OF CASH

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

	2017 $	2016 $
Cash on hand and at bank	2,748,800	2,590,525
Bank overdraft	(17,864,442)	(7,573,737)
Total cash and cash equivalents	($ 15,115,642)	($ 4,983,212)

(b) **Financing facilities**

Bank overdraft facilities totalling $22,745,038 (2016: $21,300,000) were available to the Group as at the reporting date.

(c) **Securities**

Securities on the overdraft facilities are disclosed in note 18.

14 LEAVE ENTITLEMENTS

	2017 $	2016 $
Annual leave	844,451	713,620
Long service leave	370,877	360,157
	$ 1,215,328	$ 1,073,777

15 RELATED PARTY TRANSACTIONS

(a) Directors

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

Dilip Khatri
Navin Patel
Suresh Patel
Dinesh Patel
Satish Parshotam
Ratu Aisea Waka Vosailagi
David Evans
Suliano Ramanu
Carina Hull - appointed 27 June 2017

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

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

	2017 No. of shares	2016 No. of shares
Dilip Khatri	2	2
Dinesh Patel	20,002	20,002
Satish Parshotam	2	2
Suresh Patel	2	2
Candle Investments Limited	6,467,331	6,384,332
Challenge Engineering Limited	19,401,988	19,521,053
Jacks Equity Investment Limited	19,401,988	19,152,980
R C Manubhai & Co Limited	19,401,988	19,784,907
Vision Group Limited	806,460	806,460

15 RELATED PARTY TRANSACTIONS – Continued

(b) Key management personnel

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

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

	2017 $	2016 $
Short-term employee benefits	$ 2,325,152 ===========	$ 2,135,658 ============

Some management personnel have interest either directly or indirectly, in the ordinary shares of the Holding Company. This totalled 620,797 shares as at 31 March 2017 (2016: 620,797).

(c) Transactions with director-related entities

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

- Vision Group Limited (VGL) – the Company charges management fees to VGL and its subsidiaries for provision of administrative and support services at the rate of $283,833 per annum.
- Vision Properties Limited (VPL) – the Company leases a number of properties from VPL for its retail businesses.
- Vision Services Limited (VSL) – Pursuant to a management agreement, the Company is charged a management fee at the rate of up to 1.25% plus VAT on the Group's annual turnover and other income and up to 1.5% plus VAT if the sum of annual turnover and other income exceeds $150 million. Additionally, an incentive fee is payable should the annual operating profit before tax exceed certain thresholds, commencing with $500,000 plus VAT if the operating profit before tax exceeds $16.5 million. Vision Services Limited has agreed to limit the management fee to $600,000 plus VAT per annum for the period 1 July 2015 to 31 March 2018, and to 0.6% of turnover for the period 1 April 2018 to 31 March 2020.
- Challenge Engineering Limited (CEL) – the Company leases a number of properties from CEL for its retail businesses.

The Group also transacts with other director-related entities as part of its normal business operations.

15 RELATED PARTY TRANSACTIONS – Continued

(c) Transactions with director-related entities – Continued

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

	2017 $	2016 $
Sales of various goods and services	6,001,762	2,233,656
Purchases of various goods and services	1,644,145	937,765
Interest expense on related party borrowings	-	508,468
Interest income on loans and advances to related parties	-	289,562
Management fees received	283,833	120,000
Management fees paid	2,072,363	600,000
Lease of store space	3,293,140	2,994,407
Legal fees	17,514	121,245

(d) Amounts owing by related parties

The Group held a number of loans, advances and other balances with various director-related companies last year.

	2017 $	2016 $
Non-current		
Loans and advances to related parties		
Dhoby's Limited	$ 627	$ -
	===========	============

(e) Amounts owing to related parties

	2017 $	2016 $
Non-current		
Loans and dvances from related parties:		
Warehouse Kingdom (Pacific) Limited	250,410	250,410
Other balances	704	-
	$ 251,114	$ 250,410
	============	============

On 1 July 2015, Evergreen Investments Limited forgave $12,583,851 of debt owed to it by the Holding Company and this was distributed to the shareholders as capital gains.

16 CAPITAL AND OTHER COMMITMENTS

(a) Operating lease expenditure and commitments

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

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

	2017	2016
	$	$
Due		
- not later than one year	5,677,010	3,475,830
- later than one year and not later than five years	14,594,473	9,735,511
- later than 5 years	3,610,899	6,031,730
	$ 23,882,382	$ 19,243,071
	==============	==============

(b) As at 31 March 2017, capital expenditure commitments for the Group amounted to $777,173 (2016: $ Nil).

17 CONTINGENT LIABILITIES

The Group does not have any contingent liabilities.

18 BANK OVERDRAFT AND BORROWING

The borrowings include loan facilities with Westpac Banking Corporation – Fiji amounting to $39.6 million (2016: $42.4 million) of which $34.0 million (2016: $31.9 million) has been drawn. The Group also holds bank overdraft facilities amounting to $22.7 million (2016: $21.3 million) of which $17.9 million (2016: $7.6 million) has been utilised.

The loans are subject to interest only repayments, due for full repayment on 30 April 2018 and are renewable subject to the Holding Company meeting normal banking criteria.

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

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

The overdraft and loan facilities of the Group are secured by a registered fixed and floating charge over the Group's assets and undertakings including its uncalled and called but unpaid capital, and Guarantees provided by the Holding Company's four founding shareholders' companies.

19 EARNINGS PER SHARE – BASIC & DILUTED

Basic earnings per share

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

Diluted earnings per share

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

		2017		2016
Profit for the year	$	18,396,597	$	11,472,919
Weighted average number of ordinary shares used to compute earnings per share		103,769,425		78,779,474
Basic and diluted earnings per share	$	0.18	$	0.15
	==============		==============	

20 PRINCIPAL ACTIVITIES

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

21 INCORPORATION AND REGISTERED OFFICE

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

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

22 EVENTS SUBSEQUENT TO BALANCE DATE

On 27 June 2017, the Holding Company declared additional interim dividends of $0.06 per share totalling $5,966,742.

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

23 SEGMENT INFORMATION

(a) Description of segments and principal activities

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

(i) **Retailing** - comprises sale of furniture, household electrical items, general merchandise and the financing of these products at a margin.
(ii) **Automotive** - comprises sales of motor vehicles, spare parts, tyres lubricants, leasing and repair of motor vehicles.

The Group operates in the geographical segments of Fiji and Papua New Guinea.

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

(b) Business segments

	Retailing $	Automotive $	Inter Segment $	Total $
31 March 2017				
External operating revenue	146,793,127	30,319,119	(6,774,551)	170,337,695
Total assets	142,035,434	20,906,003	(21,228,214)	141,713,223
Total liabilities	68,900,999	18,276,117	(21,018,899)	66,158,216
31 March 2016				
External operating revenue	121,678,794	17,277,960	(4,260,404)	134,696,350
Total assets	118,137,257	18,890,957	(11,117,839)	125,910,375
Total liabilities	47,051,219	17,847,550	(6,425,701)	58,473,068

(c) Geographical Segments

	Fiji $	PNG $	Inter Segment $	Total $
31 March 2017				
External operating revenue	170,235,776	101,919	-	170,337,695
Total assets	139,446,137	6,912,207	(4,645,121)	141,713,223
Total liabilities	62,749,872	8,053,466	(4,645,121)	66,158,216

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VISION INVESTMENTS LIMITED AND SUBSIDIARY
DISCLAIMER ON UNAUDITED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2017

The additional unaudited supplementary information presented on page 44 to 49 is compiled by the Board of Vision Investments Limited. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

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

PricewaterhouseCoopers

27 June 2017
Suva, Fiji

PricewaterhouseCoopers
Chartered Accountants

PricewaterhouseCoopers, Level 8 Civic Tower, 272 Victoria Parade, Suva, Fiji.
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KEY DISCLOSURES

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

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

Holding	No of Holders	% Holding
Less than 500 shares	13	4.44
501 to 5,000 shares	157	53.58
5,001 to 10,000 shares	69	23.55
10,001 to 20,000 shares	22	7.51
20,001 to 30,000 shares	6	2.05
30,001 to 40,000 shares	2	0.68
40,001 to 50,000 shares	4	1.37
50,001 to 100,000 shares	3	1.02
100,001 to 1,000,000 shares	8	2.73
Over 1,000,000 shares	9	3.07
Total	**293**	**100**

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

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

Directors	Direct Interest (No. of Shares)	Indirect Interest (No. of Shares)
Dinesh Patel (Indirect Interest via RC Manubhai & Company Limited)	2	19,421,988
Suresh Patel (Indirect Interest via Challenge Engineering Limited)	2	19,401,988
Dilip Khatri (Indirect Interest via Jacks Equity Investment Limited)	2	19,401,988
Satish Parshotam (Indirect Interest via Candle Investments Limited)	2	6,467,331
Dinesh Patel, Suresh Patel, Dilip Khatri, Satish Parshotam (Indirect Interest via Vision Group Limited)	-	806,460

Related Parties

Navin Patel is a director and shareholder of Jacks Equity Investments Limited and a director of Vision Group Limited and these companies held 19,401,988 and 806,460 ordinary shares respectively in Vision Investments Limited as at the date of this report.

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

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

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

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

Shareholder Name	**No Of Shares**	**Total % Holding**
Jacks Equity Investment Limited	19,401,988	18.70
Challenge Engineering Limited	19,401,988	18.70
RC Manubhai & Company Limited	19,401,988	18.70
Fiji National Provident Fund Board	15,565,415	15.00
BSP Life (Fiji) Limited	7,006,369	6.75
Candle Investments Limited	6,467,331	6.23
International Finance Corporation	6,369,425	6.14
Unit Trust of Fiji (Trustee Company) Ltd	4,458,598	4.30
FHL Trustees Limited ATF Fijian Holdings Unit Trust	1,493,359	1.44
Vision Group Limited	806,460	0.78
Ajay Lal	569,276	0.55
Harikisun Limited	210,000	0.20
Na Hina Limited	200,000	0.19
Herbert and Diane Powell	178,300	0.17
Sanjay Lal Kaba	120,000	0.12
Dr Jayant Patel & Dr Nirmalaben Patel	106,320	0.10
Pravin Patel	101,000	0.10
Mualevu Tikina Holdings Ltd	66,416	0.06
Vanuabalavu Holdings Limited	56,416	0.05
Ritesh Singh	50,004	0.05
Total Number Of Shares	**102,030,653**	**98.33**

d) Disclosure under section 6.31 (viii) of the Listing Rules

Subsidiary performance:

	2017 $
Turnover	101,919
Other income	27,293
	129,212
Depreciation & amortisation	(69,574)
Interest expense	(105,969)
Other expenses	(1,116,803)
Tax expense	-
Net loss after tax	(1,163,134)
Assets	6,912,207
Liabilities	(8,053,466)
Shareholders' funds	(1,141,259)

CORPORATE GOVERNANCE

ROLE OF THE BOARD

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

The principle responsibilities of the Board are to:

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

BOARD CHARTER

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

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

CODE OF CONDUCT AND ETHICS FOR THE BOARD

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

BOARD MEMBERSHIP

The Company's Articles of Association sets out the rules on the appointment and removal of Directors. The Articles specify the Company should have a minimum of 3 Directors although the Board Charter adopted by the Board, specifies a minimum of 6 Directors. The SPSE rules and regulations specify that 1/3 of the Directors shall be Independent Directors. Currently the Board consists of 9 Directors. 5 Directors are Founder Shareholder Directors, 3 Directors are Independent Directors and 1 Director nominated by the significant shareholder Fiji National Provident Fund.

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

BOARD COMMITTEES

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

- Nominating and Governance Committee (NGC)
- Audit, Finance and Risk Committee (AFRC)
- Remuneration and Human Resource Committee (RHRC)

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

NOMINATING AND GOVERNANCE COMMITTEE CHARTER

The Committee consists of at least 5 Directors and to meet as and when required but at least once every year, and the quorum at a meeting must be at least 3 members. The principal responsibilities of the Committee include - guiding the Board on Corporate Governance, advising on the size, composition and structure of the Board and Subcommittees, nomination and orientation of Directors, assessing the effectiveness of the Board Subcommittees, recommending fees to be paid to Directors and Chairman and recommending appointment of CEO position and terms of remuneration. The proceedings of the Committee are reported to the Board.

AUDIT, FINANCE AND RISK COMMITTEE CHARTER

The Committee comprise of 4 Directors, majority of whom shall be Independent Directors. The Committee meets at a minimum of four times every year and a quorum at the meeting must be 2 members. The primary responsibilities of the Committee are overseeing the integrity of the Company's financial statements, financial reporting processes, financial statement audits, compliance to legal and regulatory requirements, internal controls, risk management processes, internal audit and managing the relationship with the external auditors. The proceedings of the Committee are reported to the Board.

REMUNERATION AND HUMAN RESOURCE COMMITTEE CHARTER

The Committee comprise of 5 members of the Board. The Committee meets as and when required but at least once every year and the quorum at a meeting must be 2 members.

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

SHAREHOLDER CHARTER

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

REGISTER OF INTEREST

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

COMMUNICATIONS AND PUBLIC DISCLOSURES

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

TRADE UNIONS AND COLLECTIVE BARGAINING POLICY

With guidance from the cornerstone shareholder International Finance Corporation, the Board put in place a Trade Unions and Collective Bargaining Policy. This policy protects the rights of employees to join a Trade Union and engage in collective bargaining on matters of interest and concern to employees. This Policy also ensures the Company comply in good faith to provisions in any Collective Agreement with a Trade Union representing Company Employees.

PREVENTION OF INSIDER TRADING

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

RISK MANAGEMENT

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

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

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

3. **Business risks**
   This relates to risk in financial infrastructure, legal liability, regulatory compliance, competition, reputational and fiduciary risk.

4. **Event risks**
   This relates to political risks, contagion, banking crisis and other exogenous factors.

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

The Board is currently in the process of developing a Risk Appetite Statement to serve as a guide for conduct of Company operations and investment activities.

INTERNAL AUDIT

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

Each year the internal audit program based on a 3 year rolling plan, is approved by the Committee. The programme of audits considers the most significant areas of business risk and is developed following discussions with senior management and the review of the business processes and findings of the strategic risk assessment.

The role of the internal audit is to:

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

MEETINGS OF THE BOARD & SUBCOMMITTEES

During the financial year the Board and the various Subcommittees met at various times and the Directors attendance are noted in the table below.

Board Members	Board Number of meetings		NGC Number of meetings		AFRC Number of meetings		RHRC Number of meetings	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Dilip Khatri	4	4	3	3	-	-	3	3
Navin Patel	4	4	3	3	4	4	3	3
Suresh Patel	4	4	-	-	4	2	-	-
Dinesh Patel	4	3	3	2	-	-	3	2
Satish Parshotam	4	3	-	-	-	-	-	-
Suliano Ramanu	4	4	3	3	-	-	-	-
David Evans	4	4	3	3	4	4	-	-
Ratu Aisea Waka Vosailagi	4	2	-	-	4	3	3	2
Carina Hull	-	-	-	-	-	-	-	-

*Ms Carina Hull's appointment as an Independent Director became effective on the 27th of June 2017.

CORPORATE DIRECTORY

List of Directors:	1. Mr Dilip Khatri	(Chairman)
	2. Mr Navin Patel	(Deputy Chairman)
	3. Mr Suresh Patel	
	4. Mr Dinesh Patel	
	5. Mr Satish Parshotam	
	6. Mr Suliano Ramanu	
	7. Mr David Evans	(Independent)
	8. Ratu Aisea Waka Vosailagi	(Independent)
	9. Ms Carina Hull	(Independent)

Chief Executive Officer: Mr P L Munasinghe

Company Secretary: Mr Niraj Bhartu

Solicitors:
Parshotam Lawyers
Sherani & Co
Howards Lawyers

Auditors: PricewaterhouseCoopers (PwC)

Bankers:
Westpac Banking Corporation (WBC - Fiji)
Bank of South Pacific Limited (BSP - PNG)

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

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VISION INVESTMENTS LIMITED

COURTS
Quality Brands! Great Choice!

VISION MOTORS

MIF
MAHOGANY INDUSTRIES (FIJI)

VISION HOME CENTRES
Quality Brands! Great Choice!

VISION FINANCE