



FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED

# Annual Report 2020



PARLIAMENTARY  
NUMBER

# Corporate Statements



## Our Vision

To be Fiji's trusted independent Estates and Trust administration service provider.



## Our Mission

To provide specialist and independent Estate and Trustee services to all Fijians.



## Our Purpose

To deliver trustee and estate administration services accessible to all Fijians. We provide professional services in:

- Estate Administration
- Trust Administration
- Estate Planning
- Legal Services



## Our Values

To achieve the vision and mission of the Corporation, our values of the team are:

- Respect

We will treat everyone with high regard and self-esteem through our services.

- Integrity

We will adhere to moral and ethical principles of the business.

- Professional Service

We will discharge our duties with integrity, provide quality service and be reliable and responsible.

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# Chair's Report



Dear Shareholders

On behalf of the Board of Directors of Fiji Public Trustee Corporation Pte Limited (FPTCL), I present the 2020 Annual Report for the company.

The year 2020 was in no uncertain terms an unprecedentedly unusual and stressful year as the COVID-19 global pandemic took its toll on Fiji. Just two months into 2020, Fiji recorded its first case in March which quickly led to a major lockdown of the greater Suva area. This was followed by the closure of our international borders.

Subsequent unpleasant and unavoidable socio-economic consequences followed. Job losses, restricted working hours as businesses shut down became a nationwide phenomenon causing distress in the lives of most of our people.

Businesses had to re-invent themselves in response to loss of revenue amidst the increasing threat of the spread of the COVID-19 virus.

Whilst most if not all businesses were negatively disrupted, the Corporation through the strong resolve and resilience of our people remained stable.

Our people focused leadership kept the Corporation in good stead and we avoided the hard decision of reducing staff's normal hours of work. The Management adopted remote working arrangements rapidly and business continued almost as usual.

Our Board continued to work remotely, providing the support and guidance necessary for the Management to steer the business and I am pleased to note that we fared very well albeit with virtual connectivity.

## Update and Initiatives

To provide a summary update, it is fair to simply say that we focused on the implementation of all the COVID-19 protocols rolled out by the Government through the Ministry of Health and Medical Services and Ministry of Commerce, Trade, Tourism and Transport.

Adhering to the new protocols of the business made our team stronger together and they were driven to maintain our business at the usual levels as growth was hampered.

The team like many businesses and especially Government owned enterprises mobilised efforts into community assistance. Indeed, this became necessary when Fiji endured two cyclones which added to the social strife of all Fijians.

A fine display of our commitment to the community was seen when team FPTCL partnered with the Foundation for Rural Integrated Enterprises & Development to deliver groceries to families in Lautoka who were impacted by the COVID-19 crisis.

## Business Performance

2020 can be characterised as one not focused on growth per se but one that nevertheless was focused on maintaining itself in the most optimum financial position. Given this focus, the Board and Management decided to put on hold our investment plans and pay close attention to our costs and returns. With this re-adjustment in our thinking, we achieved an acceptable result in our business performance even with a decrease in our fair value of equity.

## Future Outlook and Direction

Our future outlook anticipates the development of a strategy that will re-visit our

important obligations under the Fiji Public Trustee Act, 2006.

The Corporation also secured the services of Legal Advocate Peter Goffin under the Australian Volunteers program for the second time to assist with the formulating and designing four additional services of Prepaid Funeral Trust, Charitable Trusts, Power of Attorney and Family Trust.

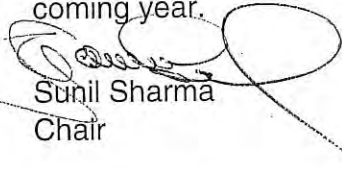
Focus on meeting our customer's needs through expanded product and service offerings will remain our priority. Improving operational efficiency and positioning our people for success through training and coaching that focuses on delivering outstanding knowledge and service will be given equal importance.

Since the inclusion of an enhanced version of the Will online application, our website has become the virtual office reception where clients are able to communicate with our team online. Addition of a chat option will be the next step to improve service delivery.

Enhancing corporate governance is also continuing through the development of policies, manuals, and standard operation procedures. Additionally, modernisation of the business through technical and digital improvements and the audit of Estates and Trusts financials is an ongoing objective of the Corporation.

We are excited to move into 2021 with a robust infrastructure coupled with refined operating procedures resulting from the learnings from COVID-19 crisis. Needless to say, that with our strong and resilient team our business can anticipate even better results.

Customer focus and optimum service delivery remain our core competency measurement tools for our business and our people which will ensure our viability and sustainability. We are optimistic for the coming year.

  
Sunil Sharma  
Chair

## Kioa Island-Held in Trust for the Vaitupu Chiefs



The island of Kioa was purchased in 1946 by 110 chiefs (matai) from Vaitupu Island in Tuvalu who with their successors are the owners of the island.

Kioa is an island in Fiji, an outlier to Vanua Levu also known as Salia village in the province of Cakaudrove is held in trust under legal custodian for 110 chiefs of Vaitupu in Tuvalu by Fiji Public Trustee Corporation Pte Limited.

The certificate of title to the island was transferred to the Governor of Fiji as trustee for the chiefs. In 1968 the Kioa Island Trust was set up by the Governor of Fiji Sir Derek Jakeway, where the Public Trustee of Fiji (Public Trustee Ordinance) was appointed as the custodian trustee and Mr Mafalu Sakaio and Mr Foua Tofinga were appointed as first managing trustees of Kioa Island.

Fiji Public Trustee Corporation Pte Limited continues to be the legal custodian for the Island of Kioa.

# Chief Executive Officer's Report



The financial year 2020 has been a year like no other. The global pandemic COVID-19 understandably impacted not only the Corporation but every person and business locally and globally.

The impact of the pandemic on our business took its toll on our investment income and at the same time presented itself with opportunities for improvement in our business and to the service to our people through the various digital and technological advancements.

These challenging and uncertain times have highlighted the calibre and dedication of our people and I am proud of how we have all responded collectively to embrace the changes and move forward with positivity and growth.

The company accepted a total of 45 estates at a value of \$10.8 million in 2020 compared to a total of 33 estates in 2019 with a value of \$7.8 million. The total revenue decreased by 14 percent when compared to 2019. We drafted 254 Wills for individuals compared to 290 in 2019.

The Corporation recorded an operating loss of \$72,580 against an operating profit of \$652,386 in 2019. This is predominantly attributed to the impact of COVID-19 outbreak on the Fijian economy which has largely affected the overall operations of the Corporation. In our adoption of International Financial Reporting Standards and best accounting practices the Corporation adopted the accrual basis of recording revenue on estate services provided in 2020 and in our bid to improve accountability and transparency on our services our Estates & Trust Accounts under administration are now audited annually.

The events of the 2020 financial year have enforced us to focus on our strategic areas of operations mainly on our customer service, our people, profitability and stakeholder relations to build a sustainable business. The Corporation paid out a total of \$30,000 to the Fiji Red Cross Society and to the Chanel Home of Compassion on behalf of an estate client. The Corporation also secured its first conservation trust. This includes the administration of a 512 acres freehold estate property with indigenous forest plants and animal species.

## Business Sustainability

Having a strategy is one thing, being able to execute it, especially in times of great uncertainty, is a challenge. Despite these challenges, the Corporation completed the year on a high note while trying to cushion the losses from the Corporation's investment. We continued to deliver a strong operational performance, innovating at a pace to create new ways to ensure continuity of our services to all Fijians. In 2020, the Corporation introduced four new services to the public. This included Family Trust, Prepaid Funeral Trust, Charitable Trust and Power of Attorney.

The Corporation's balance sheet remains strong with sound cash balance of \$574, 235 and strong net asset position of \$17.2 million. The Corporation also recorded an impressive current liquidity ratio of 9.83. We continue to be operationally sustainable during this COVID-19 pandemic period, however the 10 percent drop in the market value of our investment in managed funds and the decreasing deposit rates overshadowed this profit.

## Customer Service

Enhancing our customer experience by ensuring that we deliver customers a seamless experience continues to be our greatest measure of success. In November



2020, the team launched its first customer service survey with some very interesting initial results. We scored a 92 percent satisfaction rate amongst the respondents. Positive feedback from our customers has been on the rise. This feedback is important, and we will continue to gauge feedback through more surveys in 2021. We are continually listening to our customers to hear what is working for them and where we can add value to enhance their experience.

### Our People and Culture

In 2020, our people showed tremendous resilience, responsibility and resolve to support one another, our customers, our communities, our suppliers and in doing so, have served our shareholders. As part of our Corporate Social Responsibility, our staff

hosted Pinktober and Movember drive in support of the work carried out by Fiji Cancer Society. All proceeds collected from the two events were presented to Fiji Cancer Society.

In 2020, we saw enhancement in the Corporation's technical and digital platform including the website. Management also highlighted the need to continue upskilling staff and innovate the business processes and services.

I would like to thank the Board, Management, Staff, our valued customers and our Stakeholders for another successful year.



Antonio Takala  
Chief Executive Officer

## Key Highlights as at 31<sup>st</sup> December 2020



\$51 million total value of Estates as at 31<sup>st</sup> December 2020. In 2020, 45 new estates were accepted and valued at \$10.8 million.



4,547 registered Wills as at 31<sup>st</sup> December 2020 of which 254 were drafted and 45 executed in 2020.



1,897 Deceased Estates as at 31<sup>st</sup> December 2020 with over 11,000 beneficiaries.



7,001 Trusts administered as at 31<sup>st</sup> December 2020.



\$13.68 million total value of Trusts as at 31<sup>st</sup> December 2020. In 2020, 70 new trusts were accepted and valued at \$68,712.



\$30,000 of assistance to two charities in 2020.

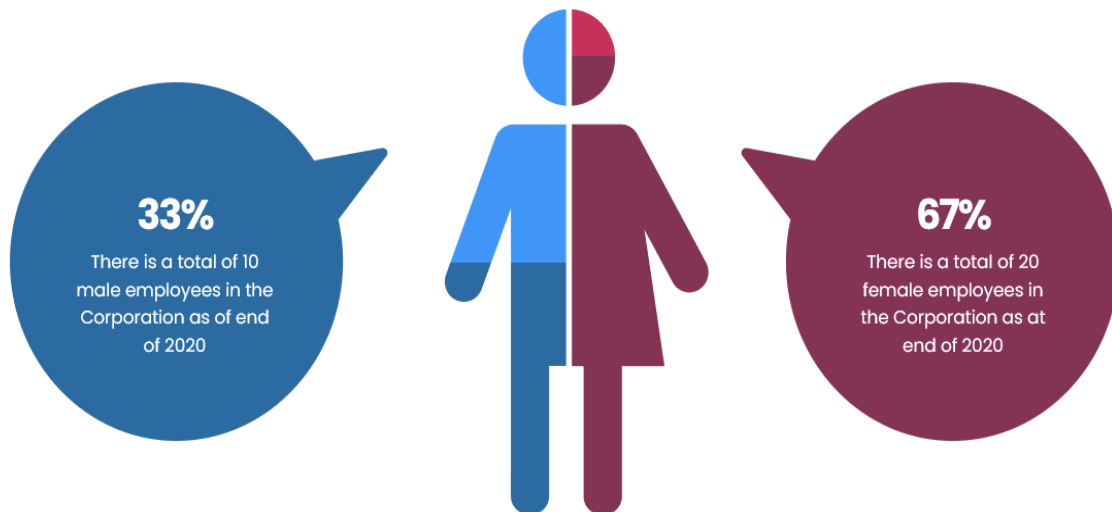


\$10,000 total fees & charges were waived under the Non-Commercial Obligation service provided to ten elderly clients.

# Our People

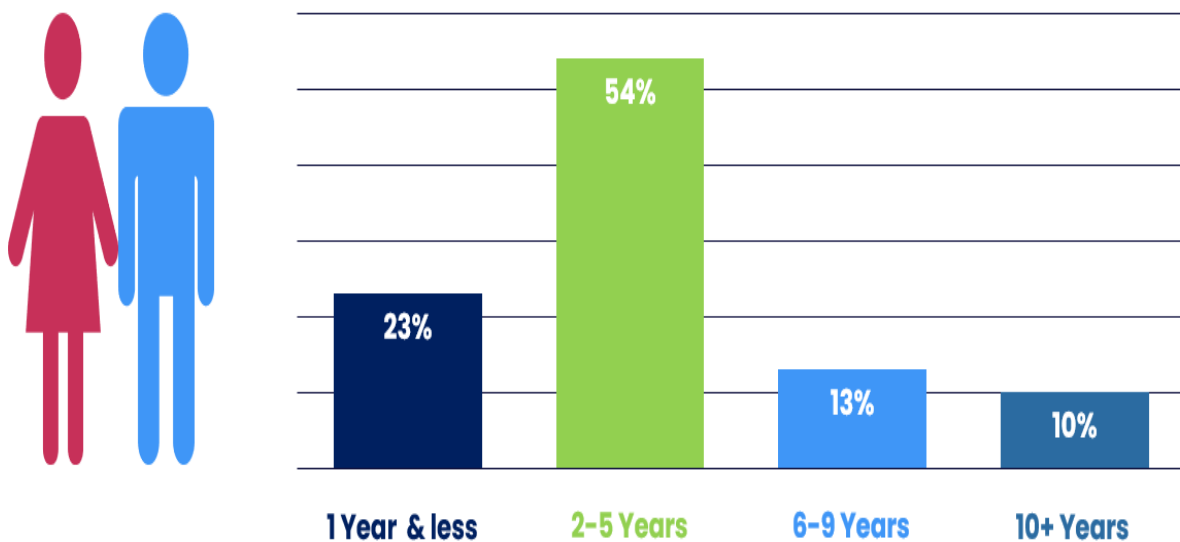
## Gender Composition

FPTCL employed **30** staff as at 31<sup>st</sup> December 2020 compared with **29** a year ago.



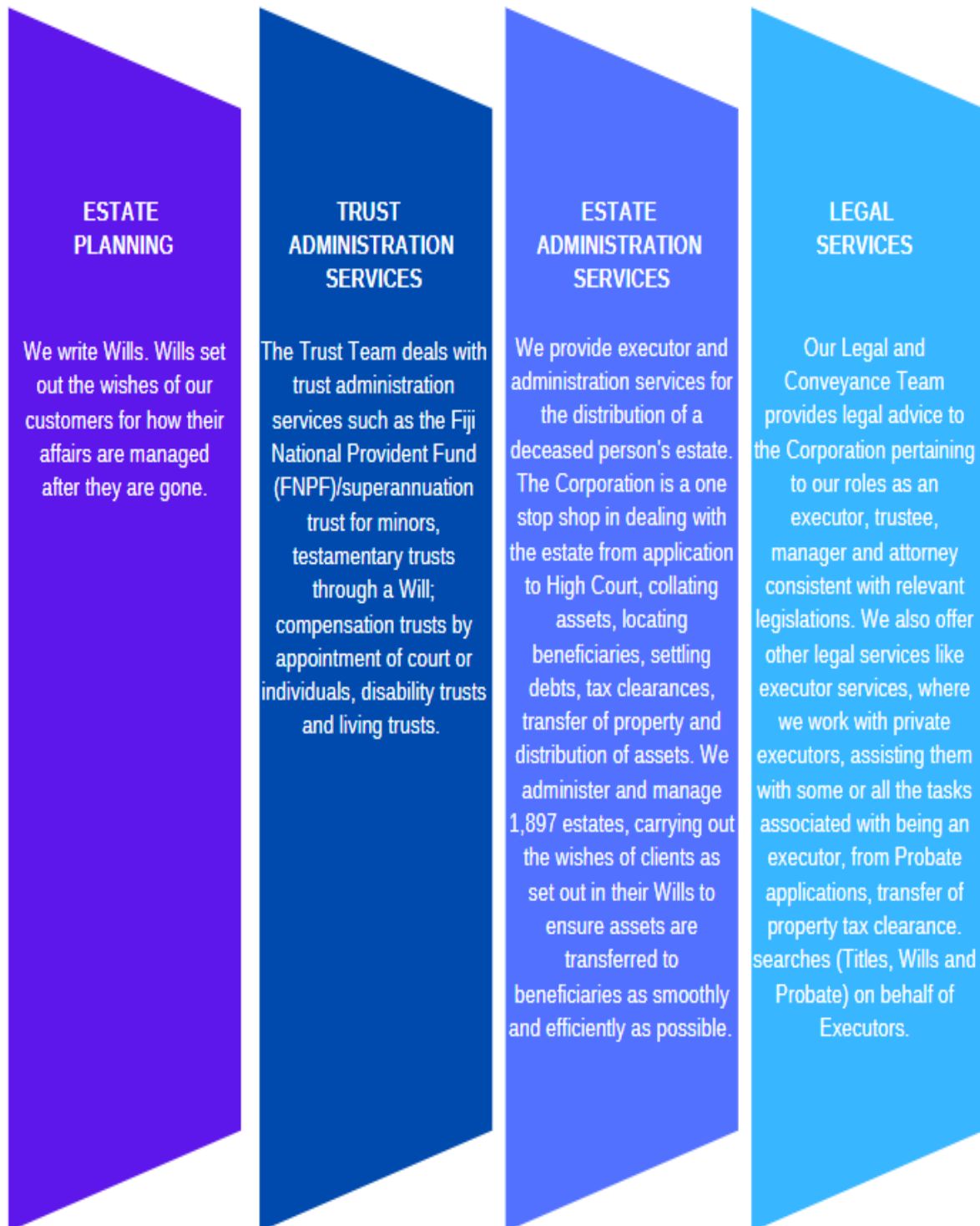
## Years of Service

The Corporation has a succession planning policy to ensure the sustainability and for retaining expertise in the organisation.



## What We Do

We provide estate planning and administration services, trust services and other legal services for all Fijians in accordance with the Fiji Public Trustee Corporation Act 2006 Part 2, section 8(e).



## Our Strategic Challenges & Opportunities

In developing our Strategic Plan, we considered the major challenges faced by Fijians now and in the future including how they will impact the Corporation. We have identified several key risks and opportunities in achieving our vision and purpose as illustrated below.

### Strategic Plan 2018-2020

	Objectives and Strategies	Performance Indicators
	<p><b>Customer Service</b></p> <ul style="list-style-type: none"> <li>• Improve communication with customers</li> <li>• Simplify processes and response time</li> <li>• Implement suggestions from customers on how we can better serve them</li> </ul>	<ul style="list-style-type: none"> <li>• Improved customer satisfaction</li> <li>• Expanded client base</li> <li>• Improved accessibility of services</li> <li>• Reduced customer complaints</li> </ul>
	<p><b>People and Culture</b></p> <ul style="list-style-type: none"> <li>• Succession planning</li> <li>• Build a professional and enhanced workforce</li> <li>• Enhance staff wellbeing</li> </ul>	<ul style="list-style-type: none"> <li>• Improved workforce satisfaction</li> <li>• Training</li> <li>• Workforce capability</li> </ul>
	<p><b>Business Enhancement</b></p> <ul style="list-style-type: none"> <li>• Sustainable and a profitable business</li> <li>• Upgrade and enhance ICT capabilities</li> <li>• Improve marketing and awareness</li> <li>• Explore new business</li> <li>• Optimise our assets to meet business objectives</li> </ul>	<ul style="list-style-type: none"> <li>• Return on assets improved</li> <li>• Services delivery innovation</li> <li>• Services and initiatives are delivered within the approved budgets</li> </ul>
	<p><b>Stakeholder Engagement</b></p> <ul style="list-style-type: none"> <li>• Improve community engagement</li> <li>• Promote knowledge and benefit of FPTCL services</li> <li>• Enhance better working relationships and understanding stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Stakeholder engagement and satisfaction analysed for improvements</li> <li>• Engagement and partnerships improved</li> </ul>

## Board Directors



### **Sunil Sharma**

Mr Sharma was appointed Chairman of the Corporation in July 2018 for one year. He was reappointed as Chairman on 17 July 2019 for the next three years. He is a Senior Partner of PKF aliz pacific, Chartered Accountants and Business Advisors. He has more than 28 years of experience in Auditing/Assurance, Taxation and Business Advisory, of which 20 years have been in executive leadership roles. He is currently an Independent Director of Merchant Finance Limited, Chair of the University of the South Pacific Grants Committee, Executive Board Member and Company Secretary/Treasurer of the Fiji Chamber of Commerce & Industry (FCCI), a member of the Employer Panel of the Arbitration Court and a member of the National Employment Centre Board (as a representative of the (FCCI). He is also a member of the Australian Institute of Company Directors and holds post graduate qualifications in Management. His interests as a professional lie in the business development for growth prospects and risk management. This is well served through his various executive and advisory roles.



### **Lorraine Seeto**

Ms Seeto was appointed as Director in July 2018 for one year and reappointed on 17 July 2019 for three years. She has extensive experience in central banking following a 38-year career with the Reserve Bank of Fiji. She was the first female executive appointed in the organisation and has held several senior executive roles including Advisor to the Governors and Chief Manager (Governor's Office; Currency and Corporate Services; Corporate Planning and Assurance; and Risk Management and Communications). She is currently involved with the United Nations Association Fiji, Pacific Corporate Governance Institute, College Industry Advisory Board College of Business, Hospitality and Tourism Studies, Fiji National University, South Pacific Business Development Board, Housing Authority of Fiji and Public Rental Board, Public Trustee Corporation Limited Board, Fiji Institute of Accountants, Chinese Education Society and Chinese Association of Fiji. She has a Bachelor of Arts in Economics and Accounting from the University of the South Pacific and a Master of Commerce from the University of New South Wales. She has received the Woman in Business Award for excellence and commitment, lifetime achievement award from Fiji Institute of Bankers and the 50<sup>th</sup> Anniversary of Independence Commemorative Medal.



### **Bernadette Sera Nicholls**

Ms Nicholls was appointed as Director in 2013 and was reappointed in 2017. In 2018 she was appointed as the Chair of the Legal and Human Resources Subcommittee. From 2010 to 2011, she had held the role of Trade Liaison with the British High Commission and Regional Representative for Crown Agents for Overseas Governments. From 2004 to 2009, Ms. Nicholls held various roles at ANZ Pacific Operations including Manager Risk and later, Head of Governance, Projects, and Special initiatives. In 2002, she established Fiji's first public private partnership with the Fiji Export Council. She also established the Purchasing & Logistics Management Association in 2000 and was President until 2004. Ms. Nicholls is the Managing Director of her company, Plumbing & Property Services.

## Management Team



### **Atonio Takala**

Chief Executive Officer

Mr Takala joined the Corporation as Manager Finance and Administration and was appointed Chief Executive Officer in August 2013. He holds a Master of Business Administration and a Bachelor's degree in Commerce from University of the South Pacific and is an Associate of the Society of Trust & Estate Practitioners of New Zealand, an accredited mediator with the Singapore Mediation Centre, a Board member of the Fiji Cancer Society and a member of the Institute of Managers and Leaders of Australia. Prior to joining FPTCL, he was employed with various organisations and accounting firms.



### **John Mow**

Manager Finance & Administration/Board Secretary

Mr Mow joined the Corporation in 2018. He holds a Bachelor's degree in Commerce (Accounting & Economics) from University of the South Pacific. He was previously employed as a senior financial analyst with the Ministry of Public Enterprises and as an auditor with PricewaterhouseCoopers. He is a provisional member of the Fiji Institute of Accountants and an associate member of CPA Australia.



### **Priya Lal**

Manager Legal

Ms Lal joined the Corporation in 2018 and is Manager Legal. She holds a Bachelor of Laws (LLB) and Professional Diploma in Legal Practice from the University of the South Pacific. She holds a valid practicing certificate for Fiji. Prior to joining FPTCL, she was employed as a Senior Legal Officer with the Legal Aid Commission. She is an Alumni of Leadership Fiji.



### **Salaseini Drekeni**

Manager Estates & Trust

Ms Drekeni joined the Corporation in 2014 as an Estate Officer and was promoted to Team Leader Estates in 2016 before her appointment as Manager Estates and Trust in June 2017. She was previously employed in paralegal work in various law firms, statutory organisations and government departments.

# Corporate Governance

## Overview

The Corporation is a public enterprise and is governed by the Fiji Public Trustee Corporation Act 2006. The functions and the duties of the Corporation are specified in the Fiji Public Trustee Corporation Act 2006.

## Role of the Board

The Board of the Fiji Public Trustee is appointed by the Minister responsible for the Public Enterprises as stated in the Public Enterprises Act 2019, Part 6 section 30. The Board provides strategic guidance and advice to Management to ensure the sound management and investment of trust beneficiaries funds as required under the Fiji Public Trustee Corporation Act 2006. The Board comprises of the Chair and two independent board members. An officer from Ministry of Economy attends the board meetings as an observer.

In carrying out its responsibilities, the Board:

- Establishes strategic direction for the organisation
- Ensures compliance with statutory requirements
- Appoints the CEO
- Provides financial oversight
- Approves the risk management framework

The Board encourages diversity in its composition and expects a high level of performance from each of its director. The Board is committed to the highest standards of behaviour and accountability.

The Board is required to meet at least five times in a calendar year or at any other time that the Board considers necessary for the efficient management of the business and affairs of the Public Enterprise as per the Public Enterprises Act 2019, Part 6, section 3 subsection 48.

Director	Board Meeting Attendance
Sunil Sharma	5
Lorraine Seeto	5
Bernadette S Nicholls	5

The Board held five meetings in 2020 with attendance of 100 percent.

## Board Subcommittee

There are currently two subcommittees of the Board:

- Audit, Risk and Governance subcommittee (ARGC)
- Legal and Human Resources subcommittee (LHRC)

Ms Lorraine Seeto is the ARGC chair and Ms Bernadette Nicholls is the LHRC chair. The Board subcommittees met on five occasions in 2020 with 100 percent attendance.

The subcommittee's objective is to report to the Board and provide appropriate advice and recommendations on matters relevant to its Charters in order to facilitate decision making by the Board. In 2020, the following policies were prepared and are yet to be approved:

- Gifts and Entertainment
- Whistle Blower
- Financial Manual Amendments
- Remote Work

## Role of the Board Subcommittees

The LRHC and ARGC Board subcommittees are not policy making bodies nor do they have substantive executive functions. However, the subcommittees are to ensure that adequate internal and risk management controls are in place, to advice the Board regarding accounting policies, practices and disclosures to review the scope and outcome of the internal and external audit, the review of annual and half-yearly financial statements for the Corporation and its investments prior



to approval by the Board and to report the proceedings of each meeting to the Board. The subcommittee also reviews legal and human resources matters for discussion by the Board.

#### The LHRC is responsible for:

- Reviewing significant issues arising from section reports for Legal, Estates & Trusts, Legal actions against FPTCL and recommending next course of action as when required
- Reporting to and assist the Board in relation to matters arising with respect to FPTCL's compliance with legal and regulatory requirements
- Reviews human resource policy and guidelines of FPTCL
- Any other matters as may be directed by the Board

#### The ARGC is responsible for:

- Financial reporting and underlying financial policies
- Working with the internal and external auditor
- Risk management and internal controls
- Compliance with laws, regulations, ethical requirements, internal policies and industry standards
- Financial management and reporting of fraud
- Ensure governance is practiced at the Corporation
- Other responsibilities as deemed important and delegated by the Board

#### Audits conducted during 2020 were:

- Estates & Trust 2019 Accounts were audited externally by BDO Fiji
- 2019 Corporation Accounts Audit was conducted externally by Office of the Auditor-General

#### Role of Management

The Management team at FPTCL is comprised of the Chief Executive Officer and the Managers of the three sections (Finance & Administration, Estates and Trust, Legal Services). The CEO is responsible to the Board of Directors for the implementation of its policies and directions.

The CEO ensures that management of the Corporation is in accordance with section 5(5) of the Fiji Public Trustee Act 2006. The Management team ensures the organisation's functions and operations are within the guidelines of a trustee service and the management of trusts is in accordance with the provisions of this Act, the Trustee Act (Cap. 65), the Trustee Corporations Act (Cap. 66) and any other law. Management conducted 28 inhouse training virtually and face to face for staff during 2020.

The Management team met fortnightly virtually and face to face during 2020 to enhance the effectiveness and efficiency of the organisation.

The Management team presented to the Standing Committee on Public Accounts for tabling of the 2018 Annual Report and audit queries.



*FPTCL Management team with the Standing Committee on Public Accounts*



*FPTCL team presented to the Staff of Telecom Fiji on 28 January 2020*



*Wills Awareness at the Nausori Bus Station on 29 February 2020*



*FPTCL team presented at the Office of the President to the Retired Fijian Teachers Association on 31 July 2020*

# Testimonials

## Appointing an independent trustee

Tiko had a young family and resided in Suva. He supported his family working as a dockworker in the late 1990's. However, the young man met an accident on board a shipping vessel.

Following his death in 2000, the High Court had ordered the sum of \$50,000 as compensation to be paid out to Fiji Public Trustee three years later. The compensation funds were held by the Corporation as Trustee for the deceased's four young children. The funds were to be utilised for the maintenance, support and education of Tiko's four children until they turned 18.

As trustee of Tiko's children's funds, the Corporation continuously assisted his wife with the children's education, maintenance and support. As the years passed the Corporation continued to assist the widow with the maintenance of their family property and in transferring the ownership of the said family property to her.

Appointing an independent trustee like the Fiji Public Trustee Corporation Limited will ensure impartiality, transparency and proper management of the Trust funds.



## A good reason to keep your Will up to date



Davendra Ram married his high school sweetheart soon after graduating from university in Suva. The young couple then had two children. As his family grew, Davendra wrote his Will. Life was good for Davendra and his family.

As the years went on Davendra had two more children in his mid-40's. However, he died in a horrific accident a day before his 50<sup>th</sup> birthday, leaving behind a wife and four young children.

As his family were sorting his estate, Davendra's wife had realised that her husband did not update his Will to include his two younger children.

When the time came for the distribution of assets to Davendra's beneficiaries, his two younger children missed out while his older children were taken care of in his Will.

It is important to review your Will regularly, especially after any significant events or changes in your life like welcoming a new baby, ending, or starting a relationship, and buying or selling a home or business.



**“Our commitment to helping  
Fijians grow and protect the  
important things in their lives  
remains core to everything we  
do.”**

## Financial Performance

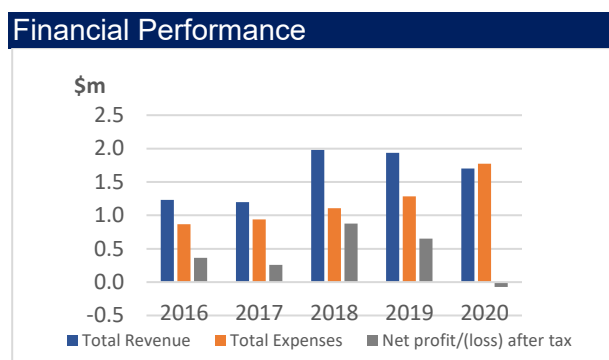
The COVID-19 pandemic brought immense challenges for the Corporation and affected its revenue streams.

The Corporation recorded an operating loss of \$72,580 against an operating profit of \$652,386 in 2019. This is predominantly attributed to the impact of COVID-19 outbreak on the Fijian economy which has largely affected the overall operations of the Corporation.

The Corporation's revenue is earned from its fees and charges, interest on investments and other income sources. All fees charged by the Corporation are legislated under the Fiji Public Trustee Corporation Act. The Corporation as its non-commercial obligation, provide quasi-judicial duties at its own cost and waiver of fees and charges to disadvantaged Fijians. Total revenue generated by the Corporation during the year was \$1.7 million which is a decline of 12 percent or \$237,101 when compared with 2019. The decrease is mainly due to decrease in interest income and no gain recorded in fair value of equity instruments due to disruption in the capital market brought by COVID-19. Nevertheless, the Corporation saw an increase in fees which is its core revenue. Fees especially during the pandemic increased by 16 percent or \$162,239 which was a significant achievement by the FPTCL team during the pandemic.

The Corporation's total expenditure of \$1.7 million represents a 35 percent or \$441,394 increase compared with 2019. This is attributed to loss in fair value of equity instruments amounting to \$343,296 and provision for fees from Trust and Estates amounting to \$147,930. This was partially offset by the reduction in management and staff costs by \$118,994 or 14 percent which reflects commitment, sacrifice and good teamwork during the lockdown due to COVID-19 while ensuring business sustainability.

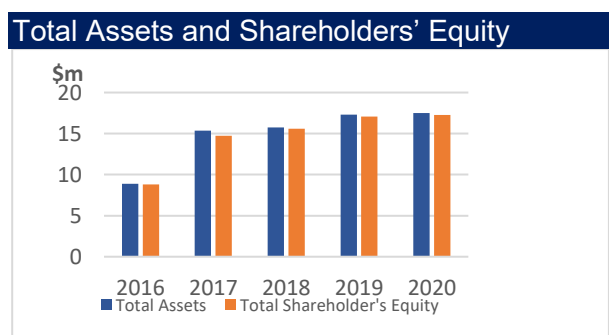
The Corporation holds interest in the land and building located in Suva from where we operate our head office. This asset is recorded at fair value and revalued periodically in accordance with International Financial Reporting Standards. The gains and losses that result from this revaluation is recorded as other comprehensive income in the statement of profit or loss and comprehensive income. In 2019, asset revaluation gains of \$548,184 was recorded as other comprehensive income. The next valuation will take place in three years' time.



Source: FPTCL

The Corporation's total assets stands at \$17.5 million which is a 1 percent increase compared with 2019. Total assets comprise of 73 percent financial assets, 14 percent property, plant and equipment and 13 percent for other assets.

The Corporation's balance sheet remains strong with sound cash balance of \$574,235 and strong net asset position of \$17.3 million. The Corporation also records a current liquidity ratio of 9.83.



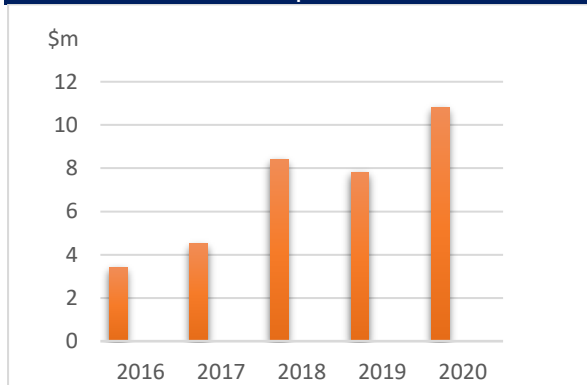
Source: FPTCL

# Estates and Trust Administration Services

## Estate Administration Services (EAS)

Our core business performance continues to show positive trends. The interest is shown by customer numbers and market share in key target segments. Market share in our Wills and estates businesses is steadily increasing during this pandemic. These uncertain times have demonstrated that preparedness is everything. At some point in life, every Fijian will require one of our offerings and we want to make sure we are there for them. To do this, we must ensure our products and services are compelling in the market and providing our customers with what they need, when they need it. In 2020, the Corporation accepted 45 estates valued at \$10.8 million compared to 33 estates valued at \$7.8 million in 2019. The Corporation also secured its first Conservation Trust. This includes the administration of 512 acres freehold estate property with indigenous forest plants and animal species.

## Value of Estates Accepted



Source: FPTCL

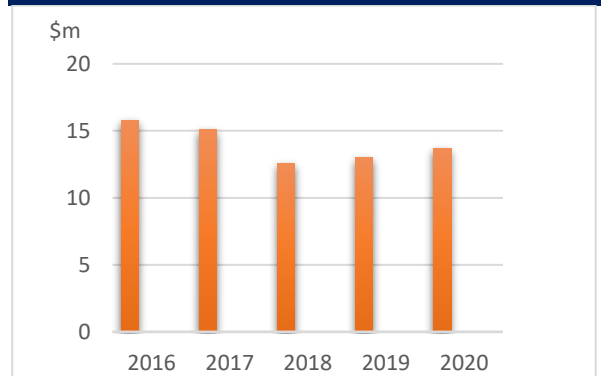
## Trust Administration Services (TAS)

As one of the country's largest trust administrators and advisers, as at 31<sup>st</sup> December 2020 we assisted more than 7,001 trust beneficiaries with our extensive expertise such as the FPNP superannuation trust for minors, testamentary trusts through a Will; compensation trusts by appointment of court or individuals, disability trusts and living trusts. We also provide services to tertiary

education providers and an array of services to fiduciary customers. In 2020, the Corporation accepted 70 new trusts valued at \$68,712 compared to 66 new trusts valued at \$66,000 in 2019.

In 2020, FPTCL services were listed as essential services under the COVID-19 regulations.

## Value of Trusts under Administration



Source: FPTCL

## Interest Distributed to Beneficiaries

Income from trust and estate funds are placed in pooled funds and invested in bonds, term deposits and in managed funds locally. All interest income from pooled funds is distributed to beneficiaries less taxes and other administration expenses. In 2020, the total interest income due for distribution to beneficiaries was \$552,093 compared to \$642,000 in 2019.



Training conducted by Fiji Revenue and Customs Service

## Legal Services

We operate in an environment that is subject to significant regulatory control and reform. The level of regulatory change has been substantial and will continue to be, with new legislation, regulations, guidance notes and amendments to existing legislation. We are responding to these changing expectations. At the same time, there are sensitive aspects to the nature of our business that will continue to require intimate and often face-to-face relationships with customers. We will be flexible in our approach to accommodate these needs.

Our Legal and Conveyance team provides legal advice to the Corporation pertaining to its role as an executor, trustee, manager, and attorney consistent with relevant legislations.

Prior to the lockdown in March, the Legal and Trust team were fortunate to work with Australian Volunteers Program, Legal Advocate Peter Goffin to develop four new services (Family Trust, Charitable Trust, Prepaid Funeral Trust and Power of Attorney) for the Corporation. We had a soft launch of these services in August 2020 making it more accessible and affordable to all Fijians. The four new services have picked up more positive interest than anticipated and is proof of the organisation's resilience and ability to adapt during uncertain times.

The Legal team assisted in the conduct of:

- Litigation for contested estate and trust matters and for Wills prepared by the Corporation
- Guidance to staff on specific legal matters and in training and developing staff on legislation and legal updates
- Conveyance work related to client estate, trust and administration matters.

The Legal team offers other legal services, which were introduced in 2014 and have become very popular with private executors and administrators of estates. These include:

- Executor services
- Application for grant to High Court
- Transfer of Property including Stamp Duties application and Capital Gains Tax lodgement
- Tax Clearance
- Searches (Title, Wills, Probates, etc.)
- Legal conveyance work
- Deed Poll
- Deed of family arrangements

The Legal team conducted regular refresher training for staff on various Acts and Legislations that directly affects the services provided by the Corporation. This includes amendments to legislations, lessons from various estates, trust and Will cases from the local and commonwealth jurisdiction.



*Providing advice at the Public Outreach in Nausori*

Services	2017	2018	2019	2020
Application for Court Grants	29	30	54	55
Application for Property Transfers	12	8	25	25
Other Conveyance Services	9	20	21	44
Other Legal Services	24	26	38	29
<b>TOTAL</b>	<b>74</b>	<b>84</b>	<b>138</b>	<b>153</b>

*Source: FPTCL*

# Advocacy and Awareness

## Media, Advocacy and Communications

Prior to the COVID-19 nationwide lockdown in March 2020, the Corporation was in full stride of conducting its advocacy and awareness information sessions on Will drafting and Estate Administration. The Corporation conducted 15 awareness sessions with various organisations in Suva, Lautoka and Labasa. Five public outreach programs were held, one in the Central Division (Nausori), two Western Division (Ba, Tavua) and two in the Northern Division (Labasa).

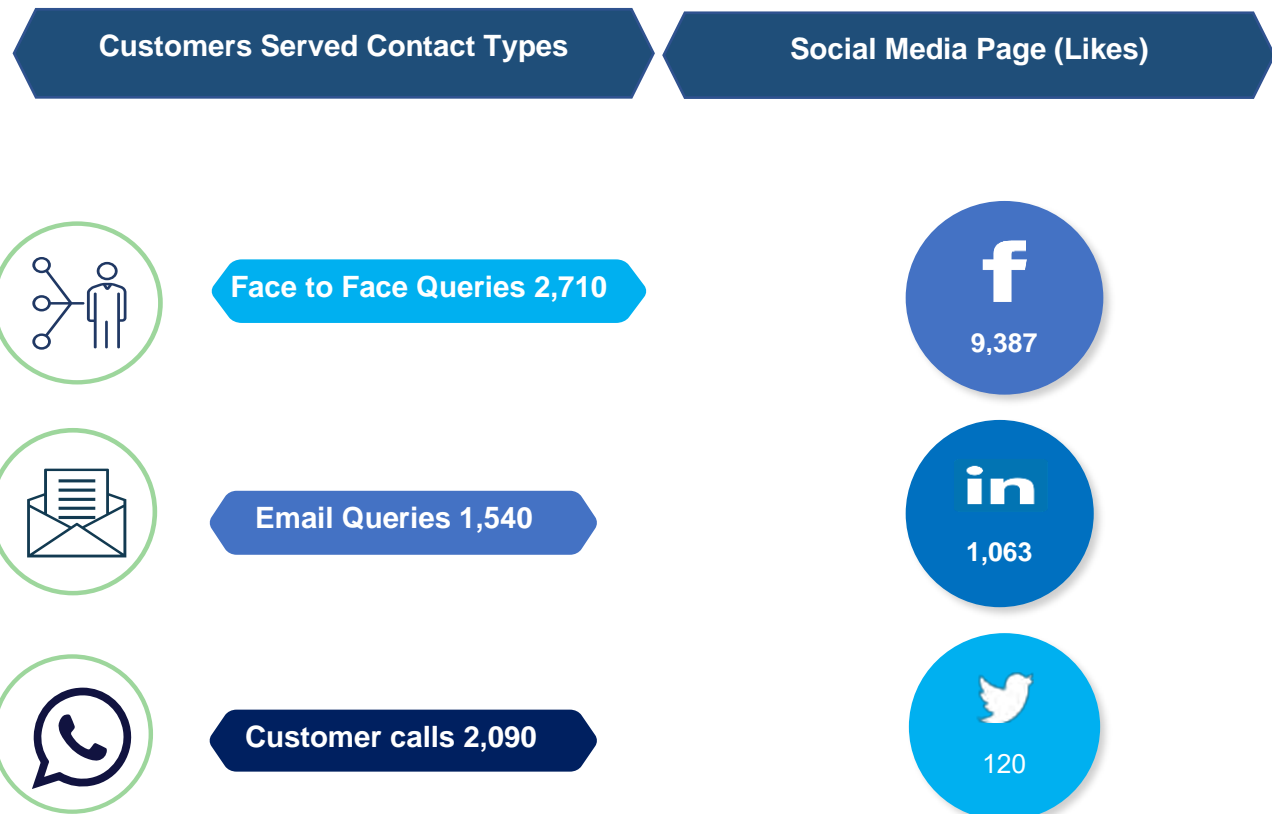
The Corporation also participated in the Radio talkback shows airing on Fiji Broadcasting Corporation's Radio Fiji 1 for iTaukei listeners conducted by the Department of Information in October and on Hindi talkback show Aina in November. The Corporation paid \$15,000 to Fiji Red Cross Society and another \$15,000 to the Chanel Home of Compassion in December from the Estate of Joyce Heerman.

## Customer Feedback

It has been a challenging year to ensure that our customers are kept informed and up to date of our operations. The Corporation shifted its services online using our website and our social media platforms. Our Facebook platform continued to be the most popular and engaging channel and has continued to see exceptional growth and customer interest since lockdown.

By enhancing our customer experience and ensuring that we deliver customers seamless experience continues to be our greatest gauge of success. Their ability to access the services they need, with ease of use and the appropriate level of support and guidance, is a critical focus for the Corporation.

Feedback from our customers has been very positive. The Corporation is working towards providing more options for our customers.





# Our Corporate Diary 2020

## January

- 7 Inhouse Training – Document Management System (DMS) Estates & Trust
- 10, 13 & 14 Inhouse Training – DMS (Estates & Trust)
- 22 Australian Volunteers Program – Legal Advocate assisted the Corporation in the setting up of the new trust services
- 25 Inhouse Training – DMS (Estates, Trust, Registry & Finance)
- 28 Awareness Presentation – Telecom Fiji Staff
- 31 Inhouse Training – DMS (Estates & Trust)

## February

- 12 Board subcommittee meeting
- 14 & 15 Public Outreach Campaign – Tavua
- 22 Public Outreach Campaign – Labasa
- 26 Inhouse Training – Estates & Trust section training with Manager Legal on the new services provided by FPTCL
- 27 Board Meeting
- 27 Awareness Presentation – Agricultural Marketing Authority
- 29 Public Outreach Campaign – Nausori

## March

- 2 Awareness Presentation – Ministry of Rural & Maritime Development Corporate Services Division
- 9 Awareness Presentation – Ministry of Health and Medical Services Human Resources Unit
- 11 Awareness Presentation – Fiji Pharmaceutical and Biomedical Services (FPBS)
- 13 Fiji Chamber of Commerce and Industry – Breakfast Panel Discussion in support of International Women’s Day at Grand Pacific Hotel
- 17 Fiji Commerce and Employers Federation Professional and Financial Services Council (Seminar)
- 18 Fiji Business Disaster Resilience Council (Seminar) on Occupational Health and Safety
- 18 Awareness Presentation – Marcellin Champagnat Institute

## April

- 2 Suva was in lockdown for 14 days
- 20 A cheque of \$15,000 was presented to the Fiji Red Cross Society
- 28 Inhouse Training – IT Policy & DMS handover instructions

## May

- 4 Estates & Trust section teamed up with Foundation for Rural Integrated Enterprises & Development and delivered groceries to families in Lautoka affected by the COVID-19 pandemic
- 5 Inhouse Training – Inspection Policy
- 6 Inhouse Training on Customer Service – Estates, Trust and Legal Services
- 13 Inhouse Training – Estate e-Forms
- 27 Board subcommittee meeting

## June

- 4 Inhouse training/Awareness by FRCS on Capital Gains Tax, Stamp Duty and other FRCS processes

## July

- 1 Internal Web Training – Invitation Step Seminar
- 21 First Brainstorming Session on workflow – Legal team
- 23 Board Meeting
- 29 Other Legal Services – FileHold setup
- 30 Board subcommittee meeting
- 31 Awareness Presentation – Office of President, Retired Fijian Teachers Association
- 31 Inhouse Training – Mail Register on FileHold

## September

- 30<sup>th</sup> Board subcommittee meeting

## October

- 13** Inhouse Training – IT Security Guide/IT Security Disaster Recovery/IT Threat and Risk Assessment/ IT Security Plan
- 14** Inhouse Training – IT Security Guides/ Business Continuity Plan/IT Security Disaster Recovery, IT Security Plan/IT Media Storage
- 21** Inhouse Training – IT Security Guides/IT Security/Disaster Recovery/ IT Security Forms/IT Security Plan
- 22** Awareness Presentation – Rooster Poultry
- 23** Awareness Presentation – Capital Insurance Limited
- 26** Inhouse Training – SOP #13 Charging of Estates Fees
- 27** Inhouse Training – IT Helpdesk/Fresh Desk/ IT incident Handling
- 28** Board Meeting
- 29** Corporation celebrated Pinktober

## November

- 1** Inhouse Training on IT Manual
- 3** Awareness Presentation – Fiji Bureau of Statistics, Household Survey Division, Nadi
- 4** Awareness Presentation – Ministry of Infrastructure and Transportation (Labasa Depot)
- 10** Awareness Presentation – Seaqaqa Primary School
- 11** Inhouse Training – IT Manual
- 11** Awareness Presentation – Bocalevu Primary School
- 13** Public Outreach – Labasa
- 25** Board subcommittee meeting
- 28** Inhouse Training – IT Manual

## December

- 4 & 5** Attorney General's Conference at the Intercontinental Fiji Golf Resort and Spa – Manager Legal
- 9** 2021 Budget Brainstorming Session
- 23** Board Meeting
- 31** A cheque of \$15,000 was presented to the Chanel Home of Compassion



*Ms Seeto and Ms Nicholls with Peter Goffin, Australian Legal Advocate*

## Abbreviations

ANZ	- Australia and New Zealand Banking Group Limited
ARGC	- Audit, Risk and Governance Subcommittee
CEO	- Chief Executive Officer
COVID-19	- Coronavirus
CPA	- Certified Practicing Accountant
DMS	- Document Management System
EAS	- Estates Administration Services
FCCI	- Fiji Chamber of Commerce & Industry
FIA	- Fiji Institute of Accountants
FNPF	- Fiji National Provident Fund
FPBS	- Fiji Pharmaceutical and Biomedical Services
FPTCL	- Fiji Public Trustee Corporation Pte Limited
FRCS	- Fiji Revenue and Customs Service
ICT	- Information and Communications Technology
IFRS	- International Financial Reporting Standards
IT	- Information Technology
LHRC	- Legal and Human Resources Subcommittee
LLB	- Bachelor of Laws
m	- million
SOP	- Standard Operating Procedure
TAS	- Trust Administration Services
USP	- University of the South Pacific

## The Works Estate – Sigatoka Sand Dune



The Works Estate comprises of freehold land in Kulukulu Sigatoka with an area of 100 acres of which 42 acres is being covered by sand.

Fiji Public Trustee Corporation Pte Limited became the Administrator of the Estate in 1976.

## Estate of Charles O'Connor



The late Charles O'Connor died in 1899. His Estate comprises two freehold lots on the island of Kadavu in the Lomaiviti Group.

The land namely known as Lagalevu and Saroko. Total area is 535 acres.

Fiji Public Trustee Corporation Pte Limited is the Administrator of the said Estate from 1963.

FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED

**FINANCIAL STATEMENTS**  
**31<sup>st</sup> DECEMBER 2020**

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**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

In accordance with a resolution of the Board of Directors, the Directors herewith submit the statement of financial position of the Fiji Public Trustee Corporation Pte Limited ("the Corporation") as at 31 December 2020, the related statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended on that date and report as follows:

**Directors**

The names of Directors in office at the date to which this report refers are:

Mr Sunil Sharma (Chair)  
 Ms Lorraine Seeto (Deputy Chair)  
 Ms Bernadette Nicholls

**Principal Activities**

The principal activity of the Corporation in the course of the financial year as defined in the Fiji Public Trustee Corporation Act 2006 was to act as custodians and provide administrative services to estates of those persons who are deceased, of unsound mind or persons incapable of conducting their own affairs.

**Results**

The results for the year are as follows:

	2020	2019
	\$	\$
Operating profit before income tax	5,024	683,519
Income tax expense	(77,604)	(31,133)
Operating (loss)/profit after income tax	<u>(72,580)</u>	<u>652,386</u>
Other comprehensive income	-	548,184
Total comprehensive (loss)/income for the year	<u><u>(72,580)</u></u>	<u><u>1,200,570</u></u>

**Dividends**

The Directors recommended and declared that no dividend be paid for the year ended 31 December 2020.

**Bad and Doubtful Debts**

The Directors took reasonable steps before the financial statements were prepared 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 for bad debts, or the amount of the provision for doubtful debts, inadequate to any substantial extent.

**Non-Current Assets**

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

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

**Related Party Transactions**

In the opinion of the Directors, all related party transactions have been adequately recorded in the books of the Corporation.

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**DIRECTORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Other Circumstances**

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

**Unusual Transactions**

Apart from these matters and other matters specifically referred to in the financial statements, in the opinion of the Directors, the results of the operations of the Corporation during the financial year were not substantially affected by any item, transaction or event of a material unusual nature, nor has there arisen between the end of the financial year and the date of this report any item, transaction or event of a material unusual nature likely, in the opinion of the Directors, to affect substantially the results of the operations of the Corporation in the current financial year, other than those reflected in the financial statements.

**Significant Events During the Year**

The COVID-19 outbreak developed during the year presents a significant challenge for Fiji and many countries including main trading partners of Fiji. The impact of COVID-19 outbreak on the economy of Fiji and globally has impacted the overall operations of the Corporation including its liquidity and cash flows for 2020 financial year.

In response to the effects of COVID-19 pandemic, the Corporation has implemented strategies and has taken necessary steps to ensure that there is minimal business disruptions with the intention to ensure sustainability of the Corporation. Throughout this crisis, the Corporation's primary focus has been to safeguard the health and safety of its employees, maintain business continuity and remain committed to its stakeholders. The Corporation continues to monitor and assess its business operations progressively and will undertake further actions as appropriate in planning ahead for a gradual recovery and a renewed growth.

**Events Subsequent to Balance Date**

The unprecedented uncertainty in the economic environment continues post year end and it is difficult to predict what the eventual impact it may have on the Corporation. Actual economic events and conditions in future may be materially different from those estimated by the Corporation at the reporting date. In the event the COVID-19 pandemic impacts are more severe or prolonged than anticipated, this may have further adverse impacts to the fair value of the Corporation's investment portfolio of equities and of future prices achieved if the assets are to be realised.

Except for the continuing impact of COVID-19 into 2021 financial year, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Corporation, to affect significantly the operations and the results of those operations, or the state of affairs of the Corporation in subsequent financial years.

**Other Circumstances**

As at the date of this report:

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



**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**DIRECTORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Other Circumstances (continued)**


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

**Directors' Benefits**

No Director has received or become entitled to receive a benefit (other than those included in the aggregate amount of emoluments received or due and receivable by Directors shown in the financial statements or received as the fixed salary of a full-time employee of the Corporation or of a related Corporation) by reason of a contract made by the Corporation or by a related Corporation with the Director or with a firm of which he is a member, or with a company in which the Director has a substantial financial interest.

For and on behalf of the Board and in accordance with a resolution of the Directors.

Dated this 20 day of April 2022.

  
.....  
Sunil Sharma  
Chair

  
.....  
Lorraine Seeto  
Deputy Chair

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED  
DIRECTOR'S DECLARATION  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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The declaration by Directors is required by the Companies Act, 2015.

The Directors of Fiji Public Trustee Corporation Pte Limited ("the Corporation") have made a resolution that declares:

- a) In the opinion of the Directors, the financial statements of the Corporation for the financial year ended 31 December 2020:
  - i. Comply with the International Financial Reporting Standards (IFRS) and give a true and fair view of the financial position of the Corporation as at 31 December 2020 and of the performance and cash flows of the Corporation for the year ended 31 December 2020; and
  - ii. Have been prepared in accordance with the Companies Act, 2015.
- b) At the date of this declaration, in the opinion of the Directors, there are reasonable grounds to believe that the Corporation will be able to pay its debts as and when they become due and payable.

For and on behalf of the Board and in accordance with a resolution of the Directors.

Dated this 20 day of April 2022.

  
.....  
Sunil Sharma  
Chair

  
.....  
Lorraine Seeto  
Deputy Chair

# OFFICE OF THE AUDITOR GENERAL

Promoting Public Sector Accountability and Sustainability through our Audits



Level 1, Modyl Plaza  
Karsanji St. Vatuwaqa  
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Suva. Fiji



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## FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED

### AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED

As auditor for the audit of Fiji Public Trustee Corporation Pte Limited for the year ended 31 December 2020, I declare to the best of my knowledge and belief that there have been:

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

This declaration is in respect to Fiji Public Trustee Corporation Pte Limited for the year ended 31 December 2020.

Sairusi Dukuno  
**ACTING AUDITOR-GENERAL**



# OFFICE OF THE AUDITOR GENERAL

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## INDEPENDENT AUDITOR'S REPORT

### Fiji Public Trustee Corporation Pte Limited

#### Report on the Audit of the Financial Statements

#### Opinion

I have audited the financial statements of Fiji Public Trustee Corporation Pte Limited ("*the Corporation*"), which comprise the statement of financial position as at 31 December 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting standards (IFRS).

#### Basis for Opinion

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

#### Emphasis of Matter

I draw attention to Note 21 of the financial statements describes the events subsequent to balance date. The Corporation has disclosed that no adjustments have been made to the financial statements as at 31 December 2020 for the impacts of COVID-19.

My opinion is not modified in respect of this matter.

#### Other Information

The Management and Directors are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements and the auditor's report thereon.

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

## **Other Information (con't)**

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained during the audit, or otherwise appears to be materially misstated. If, based upon the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

## **Responsibilities of the Management and those charged with governance for financial statements**

The Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS and for such internal control as the Management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing the Corporation'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 Management either intend to liquidate the Corporation or to cease operations, or have no realistic alternative but to do so.

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA 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 financial statements.

As part of an audit in accordance with ISA, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the 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 my 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 Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.
- Conclude on the appropriateness of the Management and Directors' 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 Corporation's ability to continue as a going concern. If I conclude that material

### **Auditor's Responsibilities for the Audit of the Financial Statements (con't)**

uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures, are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Corporation's to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
- I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

In my opinion, the financial statements have been prepared in accordance with the requirements of the Companies Act 2015 and the Fiji Public Trustee Corporation Act 2006, in all material respects, and;

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



Sairusi Dukuno  
**ACTING AUDITOR-GENERAL**



Suva, Fiji  
12 May 2022

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 \$	2019 \$
Fees	3	1,178,886	1,016,647
Interest Income		505,359	529,319
Net change in fair value of equity instruments		-	367,955
Other income	3	15,677	23,102
<b>Total Revenue</b>		<b>1,699,922</b>	<b>1,937,023</b>
General and administration expenses	4	419,230	341,329
Selling expenses		33,309	44,962
Staff and employee costs	4	732,335	851,329
Other expenses		164,679	14,682
Net change in fair value of equity instruments		343,296	-
Finance cost - interest on lease liabilities	16 (b)	2,049	1,202
<b>Total Expenses</b>		<b>1,694,898</b>	<b>1,253,504</b>
<b>Operating profit before income tax</b>		<b>5,024</b>	<b>683,519</b>
Income tax expense	6	77,604	31,133
<b>Operating (loss)/profit after income tax</b>		<b>(72,580)</b>	<b>652,386</b>
Other comprehensive income	13	-	548,184
<b>Total comprehensive (loss)/income for the year</b>		<b>(72,580)</b>	<b>1,200,570</b>

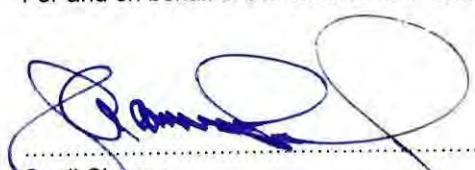
*The accompanying notes form an integral part of this statement of profit or loss and other comprehensive income.*


**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2020**

	Notes	2020 \$	2019 \$
<b>Current Assets</b>			
Cash and cash equivalents	5	574,235	705,586
Trade and other receivables	8	1,402,852	661,954
Other current assets	7	58,093	76,584
Income tax asset		81,057	106,517
<b>Total Current Assets</b>		<b>2,116,237</b>	<b>1,550,641</b>
<b>Non-current Assets</b>			
Financial assets	9	12,787,343	13,133,460
Property, plant and equipment	10	2,400,147	2,493,698
Deferred tax asset	6	33,396	2,365
Intangible assets	11	128,753	134,426
Right-of-use assets	16 (a)	17,599	10,283
<b>Total Non-current Assets</b>		<b>15,367,238</b>	<b>15,774,232</b>
<b>Total Assets</b>		<b>17,483,475</b>	<b>17,324,873</b>
<b>Current Liabilities</b>			
Trade, other payable and provisions	12	215,018	229,411
Lease liabilities	16 (b)	11,308	7,787
<b>Total Current Liabilities</b>		<b>226,326</b>	<b>237,198</b>
<b>Non-current Liabilities</b>			
Lease liabilities	16 (b)	7,669	3,388
<b>Total Non-current Liabilities</b>		<b>7,669</b>	<b>3,388</b>
<b>Total Liabilities</b>		<b>233,995</b>	<b>240,586</b>
<b>Net Assets</b>		<b>17,249,480</b>	<b>17,084,287</b>
<b>Shareholders' Equity</b>			
Share capital	13	100,000	100,000
Public Trustee Office reserve	13	4,558,336	4,567,743
Other reserve	13	6,534,871	6,287,691
Asset revaluation reserve	13	899,404	899,404
Retained earnings		5,156,869	5,229,449
<b>Total Shareholders' Equity</b>		<b>17,249,480</b>	<b>17,084,287</b>

*The accompanying notes form an integral part of this statement of financial position.*

For and on behalf of the Board and in accordance with a resolution of the Directors.

  
 Sunil Sharma  
 Chair

  
 Lorraine Seeto  
 Deputy Chair



**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**AS AT 31 DECEMBER 2020**

	Note	2020 \$	2019 \$
<b>Share capital</b>			
Balance at the beginning of the year		100,000	100,000
Balance at the end of the year	13	<u>100,000</u>	<u>100,000</u>
<b>Public Trustee Office reserve</b>			
Balance at the beginning of the year		4,567,743	4,583,342
Payment of Public Trustee Office (PTO) debts/cases		(9,407)	(15,599)
Balance at the end of the year	13	<u>4,558,336</u>	<u>4,567,743</u>
<b>Asset revaluation reserve</b>			
Balance at the beginning of the year		899,404	351,220
Other comprehensive income		-	548,184
Balance at the end of the year	13	<u>899,404</u>	<u>899,404</u>
<b>Other reserve</b>			
Balance at the beginning of the year		6,287,691	5,983,778
Adjustments		247,180	303,913
Balance at the end of the year	13	<u>6,534,871</u>	<u>6,287,691</u>
<b>Retained earnings</b>			
Balance at the beginning of the year		5,229,449	4,578,090
Effect of adoption of IFRS 16 Leases		-	(1,027)
Net (loss)/profit after income tax		(72,580)	652,386
Balance at the end of the year		<u>5,156,869</u>	<u>5,229,449</u>
<b>Total Shareholder's Equity</b>		<u><u>17,249,480</u></u>	<u><u>17,084,287</u></u>

*The accompanying notes form an integral part of this statement of changes in equity.*

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 \$ Inflows/ (Outflows)	2019 \$ Inflows/ (Outflows)
<b>Operating activities</b>			
Receipt from customers		481,857	1,068,760
Interest received		345,090	537,377
Payment to suppliers and employees		(1,052,119)	(1,042,270)
Income taxes paid		(83,175)	(115,607)
<b>Net cash (used in)/from operating activities</b>	15	<b>(308,347)</b>	<b>448,260</b>
<b>Investing activities</b>			
Acquisition of property, plant and equipment		(14,847)	(141,292)
Acquisition of software and hardware		(32,621)	(134,426)
Investments matured, net		250,000	300,060
<b>Net cash from investing activities</b>		<b>202,532</b>	<b>24,342</b>
<b>Financing activities</b>			
Payment of principal portion of lease liabilities		(16,129)	(16,514)
Payment of PTO debts/cases		(9,407)	(15,599)
<b>Net cash used in financing activities</b>		<b>(25,536)</b>	<b>(32,113)</b>
Net (decrease)/increase in cash		(131,351)	440,489
Cash at the beginning of the year		705,586	265,097
<b>Cash at the end of the year</b>	5	<b>574,235</b>	<b>705,586</b>

*The accompanying notes form an integral part of this statement of cash flows.*

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1 Corporate Information**

Fiji Public Trustee Corporation Pte Limited is a limited liability company incorporated and domiciled in Fiji. These financial statements were authorised for issue by the Directors on 20 April 2022.

The principal activity of the Corporation in the course of the financial year as defined in the Fiji Public Trustee Corporation Act 2006 was to act as custodians and provide administrative services to estates of those persons who are deceased, of unsound mind or persons incapable of conducting their own affairs.

**2 Statement of Significant Accounting Policies**

Set out below is a summary of the significant accounting policies adopted by the Corporation in the preparation of the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

*Statement of Compliance*

The financial statements have been prepared in accordance with the Companies Act, 2015 and International Financial Reporting Standards ("IFRS") prescribed by the International Accounting Standards Board ("IASB").

**(a) Basis of preparation**

These financial statements have been prepared under historical cost accounting and do not take into account changing money values or current valuations of non-current assets unless otherwise stated. The financial report is presented in Fiji dollars, which is the Corporation's functional currency, rounded to the nearest dollar.

**(b) Changes in Accounting Policy and Disclosures**

New and amended standards and interpretations

The Corporation applied IFRS 16 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments and interpretations apply for the first time in 2019, but do not have an impact on the financial statements of the Corporation. The Corporation has not early adopted any standards, interpretations or amendments that have been issued but not yet effective.

**IFRS 16 Leases**

IFRS 16 supersedes IAS 17 Leases, International Financial Interpretations Committee (IFRIC 4 *Determining Whether an Arrangement Contains a Lease*, SIC-15 *Operating Leases - Incentives* and SIC-27 *Evaluating the Substance of Transactions in the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 does not have an impact for leases where the Corporation is the lessor.

The Corporation adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Corporation elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at 1 January 2019. Instead, the Corporation applied the standard only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application.

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**2 Statement of Significant Accounting Policies (continued)**

**(b) Changes in Accounting Policy and Disclosures (continued)**

**IFRS 16 Leases (continued)**

The effect of adoption IFRS 16 as at 1 January 2019 increase/(decrease) is as follows:

	2019 \$
<b>Assets</b>	
Right-of-use assets	25,460
Total assets	<u>25,460</u>
<b>Liabilities</b>	
Lease liabilities	26,487
Total liabilities	<u>26,487</u>
<b>Total adjustment on equity</b>	
Retained earnings	(1,027)
	<u>(1,027)</u>

The Corporation has lease contracts for office spaces in Labasa and Lautoka. Before the adoption of IFRS 16, the Corporation classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. Refer to Note 2 (i) Leases for the accounting policy prior to 1 January 2019.

Upon adoption of IFRS 16, the Corporation applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. The standard provides specific transition requirement and practical expedients, which have been applied by the Corporation.

**• Leases previously classified as finance leases**

The Corporation did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets ("ROU assets") and lease liabilities equal the lease assets and liabilities recognised under IAS 17). The requirements of IFRS 16 were applied to these leases from 1 January 2019.

**• Leases previously classified for as operating leases**

The Corporation recognised ROU assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The ROU assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the ROU assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Corporation also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics;
- Relied on its assessment of whether leases are onerous immediately before the date of initial application;
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application;
- Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**2 Statement of Significant Accounting Policies (continued)**

**(b) Changes in Accounting Policy and Disclosures (continued)**

**IFRS 16 Leases (continued)**

**• Leases previously classified for as operating leases (continued)**

- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

Based on the above, as at 1 January 2019:

- ROU assets of \$25,460 were recognised and presented separately in the statement of financial position.
- Lease liabilities of \$26,487 were recognised and presented separately in the statement of financial position.
- The net effect of these adjustments amounting to \$1,027 had been adjusted to retained earnings.

The lease liabilities as at 1 January 2019 can be reconciled to the operating lease commitments as of 31 December 2018, as follows:

Operating lease commitments as at 31 December 2018	\$27,523
Weighted average incremental borrowing rate as at 31 January 2019	6.15%
Discounted operating lease commitments as at 1 January 2019	<u>\$26,487</u>
<b>Lease liabilities as at 1 January 2019</b>	<b><u>\$26,487</u></b>

**Standards issued but not yet effective**

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Corporation's financial statements include:

- an amendments to IFRS 3 Business Combination on the definition of a business; and
- amendments to IAS 1 and IAS 8 in the definition of "material" to ensure the definition is aligned across the standards.

The Corporation intends to adopt these amendments when they become effective. The amendments will not have any material impact on the Corporation.

**(c) Significant Accounting Judgments, Estimates and Assumptions**

***Judgments***

In the process of applying the Corporation's accounting policies, management has made the following judgments, apart from those involving estimations, which has most significant effect on the amounts recognised in the financial statements.

***Operating Lease Commitments***

The Corporation has entered in commercial property leases. The Corporation has determined based on an evaluation of the terms and conditions of the arrangements, that it does not retain all the significant risks and rewards of ownership of the property and so accounts for the contracts as operating leases.

***Application of IFRS 16 – Leases***

The application of IFRS 16 requires the Corporation to make judgements and estimates that affect the measurement of ROU assets and liabilities. In determining the lease term, management must consider all facts and circumstances that create an economic incentive to exercise renewal options (or not exercise termination options). Assessing whether a contract includes a lease also requires judgement. Estimates are required to determine the appropriate discount rate used to measure liabilities.

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2 Statement of Significant Accounting Policies (continued)**

**(c) Significant Accounting Judgments, Estimates and Assumptions (continued)**

***Estimations and Key Assumptions***

The key assumptions concerning the future and other key sources of estimation uncertain at balance date, that have a significant risk of causing of a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

***Impairment of Non-financial Assets***

The Corporation assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

***Expected Credit Loss***

The adoption of IFRS 9 has fundamentally changed the Corporation's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Corporation to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss, trade receivables and contract assets.

**(d) Taxes**

***Current Income Tax***

Current income tax assets and liabilities for the current and prior period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss.

***Deferred Income Tax***

Deferred income tax is provided using the balance sheet method on temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred income tax liability arises from goodwill amortisation or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, except where the timing of the reversal of temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**2 Statement of Significant Accounting Policies (continued)**

**(d) Taxes (continued)**

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred income tax relating to items recognised directly in equity is recognised in equity and not in the income statement. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

**Value Added Tax**

Revenue, expenses and assets are recognised net of the amount of Value Added Tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax recognised as part of the acquisition of the asset or as part of the expense item applicable; and
- Receivables and payables are stated with the amount of sales tax included.

**(e) Property, plant and equipment**

Land and building for the Headquarters situated at Lot 83-85 Amy Street, Toorak, Suva, Fiji are stated based on the purchase price plus cost of renovation plus increases arising on revaluation and a straight-line method of depreciation is used for the same. The land and building will be valued every three years to recognise the market value.

Subsequent to initial recognition, increases in the carrying amount arising on revaluation are credited to other comprehensive income in the statement of profit or loss and other comprehensive income and recorded as revaluation reserve in the shareholder's equity. Any decreases will offset previous increases of the same asset and will be charged against other comprehensive income and revaluation reserves in equity; all other decreases are charged as an expense in the statements of comprehensive income.

All other plant and equipment are stated as cost less accumulated depreciation and accumulated impaired losses. Such costs include the cost of replacing part of the property, plant and equipment when that cost is incurred, if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the profit or loss as incurred.

Items of plant and equipment transferred from the former Public Trustee Office have been fully depreciated. Depreciation is calculated on a straight-line method basis so as to write off the net cost of property, plant and equipment during its expected useful life.

Plant and machinery	-	12.50%
Motor vehicle	-	25.00%
Furniture and fittings	-	12.50%
Computers	-	25.00%
Buildings and improvements	-	1.25% - 2.50%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognising of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is recognised.

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2 Statement of Significant Accounting Policies (continued)**

**(e) Property, plant and equipment (continued)**

The residual values of assets, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year-end.

**(f) Inventories**

The Corporation does not have any major inventories apart from stationeries and marketing merchandise which have been accounted as expenses. Any item meeting the recognised criteria to be classified as inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**(g) Financial Assets**

The Corporation determines the classification of its financial assets on initial recognition and, where allowed and appropriate, re-evaluates the designation at each financial year end. The Corporation's financial assets include cash and short-term deposits, trade and other receivables, loan and other receivables and quoted and unquoted financial instruments.

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through Other Comprehensive Income (OCI) with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

The subsequent measurement of financial assets depends on their classification as follows:

***Financial assets at amortised cost (debt instruments)***

This category is the most relevant to the Corporation. The Corporation measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Corporation's financial assets at amortised cost includes trade receivables and term deposits.

***Financial assets at fair value through OCI (debt instruments)***

The Corporation measures debt instruments at fair value through OCI if both of the following conditions are

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



## 2 Statement of Significant Accounting Policies (continued)

### (g) Financial Assets (continued)

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss. The Corporation's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

Upon initial recognition, the Corporation can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Corporation benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Corporation elected to classify irrevocably its non-listed equity investments under this category.

#### ***Financial assets at fair value through profit or loss***

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and listed equity investments which the Corporation had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

#### ***Impairment of financial assets***

Aside from this note, other disclosures relating to impairment of financial assets (trade receivables) are included in Note 8.

The Corporation recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Corporation expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables and contract assets, the Corporation applies a simplified approach in calculating ECLs.

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2 Statement of Significant Accounting Policies (continued)**

**(h) Financial Liabilities**

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss and borrowings. The Corporation determines the classification of its financial liabilities at initial recognition. Financial liabilities are recognised initially at fair value and in the case of loans and borrowings, directly attributable transaction costs. The Corporation's financial liabilities include trade and other payables and loans and borrowings.

***Subsequent measurement***

The measurement of financial liabilities depends on their classification as follows:

***Financial liabilities at fair value through profit or loss***

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. Gains and losses on liabilities held for trading are recognised in the profit or loss. The Corporation has not designated any financial liabilities as at fair value through profit or loss.

***Loans and borrowings***

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the profit or loss when the liabilities are derecognised as well as through the amortisation process.

***Offsetting of financial instruments***

Financial assets and financial liabilities are offset, and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

***Fair value of financial instruments***

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance sheet date. For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

***Amortised cost of financial instruments***

Amortised cost is computed using the effective interest method less any allowance for impairment and principal repayment or reduction. The calculation takes into account any premium or discount on acquisition and includes transaction costs and fees that are an integral part of the effective interest rate.

**(i) Leases**

**Policy applicable from 1 January 2019**

The Corporation assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

***Corporation as a lessee***

The Corporation applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Corporation recognises lease liabilities to make lease payments and ROU assets representing the right to use the underlying assets.

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2 Statement of Significant Accounting Policies (continued)**

**(i) Leases (continued)**

**Policy applicable from 1 January 2019 (continued)**

*i) Right-of-use assets*

The Corporation recognises ROU assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). ROU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. ROU assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Corporation at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The ROU assets are also subject to impairment. Refer to the accounting policies in Note 2(k) impairment of non-financial assets.

*ii) Lease liabilities*

At the commencement date of the lease, the Corporation recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Corporation and payments of penalties for terminating the lease, if the lease term reflects the Corporation exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Corporation uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Corporation's lease liabilities are included in Note 16 Leases.

*iii) Short-term leases and leases of low-value assets*

The Corporation applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2 Statement of Significant Accounting Policies (continued)**

**(i) Leases (continued)**

**Policy applicable before 1 January 2019**

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date: whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

Operating lease payments are recognised as an expense in the profit or loss on a straight-line basis over the lease term.

Finance leases, which transfer to the Corporation substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the profit or loss.

Leased assets are depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Corporation will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

**(j) Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over the economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recorded in the profit or loss in the expense category consistent with the function of the intangible asset.

**(k) Impairment of Non-financial Assets**

The Corporation assess at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Corporation estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These valuations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

**(l) Provisions**

Provisions are recognised when the Corporation has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Corporation expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2 Statement of Significant Accounting Policies (continued)**

**(l) Provisions (continued)**

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where the discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**(m) Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Corporation and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and sales tax or duty.

The following specific recognition criteria must also be met before revenue is recognised:

***Fees and charges***

The Corporation charges fees and other charges in accordance with Part 7 of the Fiji Public Trustee Corporation Act 2006. Management and administration fees are charged on a monthly basis while other fees and charges are accrued when the service is rendered.

***Interest income***

Revenue is recognised as interest accrues (using the effective interest rate method). Interest income is included in other income in the profit or loss.

***Dividends***

Revenue is recognised when the Corporation's right to receive payment is established.

**(n) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

**(o) Employee Benefits**

Liabilities for wages, salaries and annual leave are recognised and measured as the undiscounted amount unpaid as at the reporting date at current pay rates in respect of present obligations for employee services provided up to that date. A provision is recognised for the amount expected to be paid under a bonus plan in respect of past services provided by employees, there is a legal or constructive obligation to pay this amount, and the obligation can be measured reliably.

Liabilities for other employee entitlements, which are not expected to be paid or settled within twelve months of reporting date, are accrued in respect of all employees at the present value of future amounts expected to be paid.

**(p) Comparatives**

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

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 \$	2019 \$
<b>3 Revenue</b>			
<b><u>Fees</u></b>			
Acceptance fees		163,218	123,015
Distribution fees		208,783	152,699
Income fees		53,136	56,030
Investment fees	14 (a)	398,488	432,604
Legal fees		11,485	9,563
Service fees		343,776	242,736
		<u>1,178,886</u>	<u>1,016,647</u>
<b><u>Other income</u></b>			
Rental income		16,707	24,487
Other income		796	(3,865)
Training grant		(1,826)	2,480
		<u>15,677</u>	<u>23,102</u>

The Corporation granted rental concession to the tenant from May 2020 to December 2020.

**4 Expenditure**

**General and Administration Expenses**

Audit Fees		14,058	16,531
Professional services		42,631	20,587
Legal fees		1,964	1,455
Depreciation on property, plant and equipment		108,399	97,872
Depreciation of right-of-use assets	16 (a)	14,566	15,177
Directors' remuneration		31,000	37,150
Other operating expenses		206,612	152,557
		<u>419,230</u>	<u>341,329</u>

**Staff and employee costs**

Wages and salaries		673,661	685,882
Superannuation		51,764	68,692
FNU Levy		8,669	7,189
Training		4,469	38,948
Other costs		(6,228)	50,618
		<u>732,335</u>	<u>851,329</u>

As at balance date, the Corporation employed a total of 30 employees (2019: 29 employees).

**5 Cash and cash equivalents**

Cash at bank		<u>574,235</u>	<u>705,586</u>
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Cash at bank earns interest at floating rates based on daily deposit rates of 0.50%.

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020	2019
	\$	\$
<b>6 Income Tax</b>		
The major components of income tax expense for the years ended 31 December 2020 and 2019 are:		
<b>Income tax expense</b>		
Current income tax charge	<u>77,604</u>	<u>31,133</u>
A reconciliation between income tax expense and the product of accounting profit multiplied by the prima facie tax rate for the years ended 31 December are as follows:		
Accounting profit before income tax	<u>5,024</u>	<u>683,519</u>
Prima facie income tax on the operating profit at 20%	1,005	136,704
Add/(deduct) Tax effect of allowable or non-allowable deductions		
Exempt income	(14,281)	(21,357)
Net change in fair value of equity instruments	68,659	(73,591)
First time employees	(4,001)	(6,165)
Employee development	(55)	(1,972)
Family care leave	(733)	(2,774)
Rental Concessions	(1,671)	-
Under provision for income tax expense in prior year	28,681	288
Income tax expense	<u>77,604</u>	<u>31,133</u>
<b>Deferred tax asset</b>		
Deferred income tax at 31 December relates to the following:		
Provision for employee entitlement	3,810	2,365
Provision for Fees and VAT Receivable from Trusts and Estates	29,586	-
	<u>33,396</u>	<u>2,365</u>
<b>7 Other Current Assets</b>		
Prepayments and deposits	16,917	19,555
Other receivable	5,603	5,603
Accrued income	35,573	51,426
	<u>58,093</u>	<u>76,584</u>
<b>8 Trade and Other Receivable</b>		
Fees and VAT Receivable from Trusts and Estates	1,241,556	509,726
Interest receivable	309,226	148,957
Grant claimable	-	2,481
Other receivable	-	790
	<u>1,550,782</u>	<u>661,954</u>
Less: Provision for Fees and VAT Receivable from Trusts and Estates	(147,930)	-
	<u>1,402,852</u>	<u>661,954</u>

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 \$	2019 \$
<b>9 Financial Assets</b>		
<u>Non-current</u>		
Debt instruments		
- Term deposits	3,050,000	3,300,000
- Government Bonds	200,000	200,000
- Receivable from Trusts & Estates	6,534,871	6,287,691
Equity instruments		
- Managed funds	3,002,472	3,345,769
	<u>12,787,343</u>	<u>13,133,460</u>

Surplus of assets over liabilities arising from the assumption of assets and liabilities of the former Office of the Public Trustee was transferred to the Corporation on establishment. In 2017, upon the review of the provisions in Trust it was assessed that the provision for investment impairment and part of the provision for trust claims be withdrawn, which was part of the surplus funds from establishment. The balance is the retained earnings placed with financial institutions in interest-bearing term deposit and balance is cash at bank.

**10 Property, Plant and Equipment**

**Land and Building**

**Cost**

Cost at the beginning of the year	2,424,868	1,834,503
Additions during the year	551	42,181
Fair value movements	-	548,184
Cost at 31 December	<u>2,425,419</u>	<u>2,424,868</u>

**Accumulated Depreciation and impairment**

Accumulated balance at beginning of the year	146,553	123,140
Depreciation charge for the year	23,995	23,413
Accumulated balance at 31 December	<u>170,548</u>	<u>146,553</u>

**Net book value - Land and Building**

	<u>2,254,871</u>	<u>2,278,315</u>
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**Furniture and Fittings**

**Cost**

Cost at the beginning of the year	115,649	110,387
Additions during the year	404	5,262
Disposals during the year	(2,696)	-
Cost at 31 December	<u>113,357</u>	<u>115,649</u>

**Accumulated Depreciation and impairment**

Accumulated balance at beginning of the year	64,624	53,872
Depreciation charge for the year	9,542	10,752
Disposals during the year	(2,696)	-
Accumulated balance at 31 December	<u>71,470</u>	<u>64,624</u>

**Net book value - Furniture and Fittings**

	<u>41,887</u>	<u>51,025</u>
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FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	\$	\$
<b>10 Property, Plant and Equipment (continued)</b>		
<b>Office Equipment</b>		
<b>Cost</b>		
Cost at the beginning of the year	250,050	188,325
Additions during the year	14,387	61,725
Disposals during the year	(1,421)	-
Cost at 31 December	<u>263,016</u>	<u>250,050</u>
<b>Accumulated Depreciation and impairment</b>		
Accumulated balance at beginning of the year	148,039	108,768
Depreciation charge for the year	49,508	39,271
Disposals during the year	-	-
Accumulated balance at 31 December	<u>197,547</u>	<u>148,039</u>
<b>Net book value - Office Equipment</b>	<u><b>65,469</b></u>	<u><b>102,011</b></u>
<b>Motor Vehicles</b>		
<b>Cost</b>		
Cost at the beginning of the year	97,707	65,591
Additions during the year	-	32,116
Cost at 31 December	<u>97,707</u>	<u>97,707</u>
<b>Accumulated Depreciation and impairment</b>		
Accumulated balance at beginning of the year	35,360	10,932
Depreciation charge for the year	24,427	24,428
Accumulated balance at 31 December	<u>59,787</u>	<u>35,360</u>
<b>Net book value - Motor Vehicles</b>	<u><b>37,920</b></u>	<u><b>62,347</b></u>
<b>Net Written Down Value</b>	<u><b>2,400,147</b></u>	<u><b>2,493,698</b></u>
<p>The Corporation's headquarters at Lot 83-85 Amy Street, Toorak, Suva was revalued based on an independent valuation by Professional Valuations Pte Limited on 29 January 2020. The valuation resulted in an increase in the other comprehensive income and land and building by \$548,184.</p>		
<b>11 Intangible Assets</b>		
<b>Computer Software</b>		
<b>Cost</b>		
Cost at the beginning of the year	233,461	99,035
Acquisitions	32,621	134,426
Cost at 31 December	<u>266,082</u>	<u>233,461</u>
<b>Accumulated Amortisation and impairment</b>		
Accumulated balance at beginning of the year	99,035	99,035
Amortisation during the year	38,294	-
Accumulated balance at 31 December	<u>137,329</u>	<u>99,035</u>
<b>Net book value - Computer Software</b>	<u><b>128,753</b></u>	<u><b>134,426</b></u>
<b>Net book value - Intangible Assets</b>	<u><b>128,753</b></u>	<u><b>134,426</b></u>

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 \$	2019 \$
<b>11 Intangible Assets (continued)</b>		
<p>On 5 September 2019, the Corporation signed a partnership agreement with Telecom Fiji Ltd (TFL) for the implementation of the document management system (DMS). The contractual commitment with TFL amounts to \$77,926. The Corporation also engaged Paradigm Shift South Pacific Pte Limited (PSSPL) on 2 April 2019 to assist in implementation of DMS. The contractual commitment with PSSPL amounts to \$56,500.</p>		
<b>12 Trade, Other Payables and Provisions</b>		
Trade creditors and accruals	195,968	216,181
<u>Provision for Employee Entitlements</u>		
Balance at the beginning of the year	13,230	11,791
Arising during the year	36,572	34,417
Amounts utilised/paid	(30,752)	(32,978)
Balance at the end of the year	19,050	13,230
<b>Trade, other payables and provisions</b>	<b>215,018</b>	<b>229,411</b>
<b>13 Capital</b>		
Share capital	2	2
Contributed capital	99,998	99,998
	<b>100,000</b>	<b>100,000</b>

The Corporation's capital comprises of ordinary shares only and these carry the same rights, references and restrictions. Under the provisions of s194 and s735 of the Fiji Companies Act 2015, the authorised capital concept has been abolished. In addition, under the provisions of s196(a) and 737 of the same, the Share Premium Reserve has been reclassified as part of the Corporation's capital representing the owner's contributed capital to establish the Corporation.

**Reserves**

<u>Public Trustee Office reserve</u>		
Balance at the beginning of the year	4,567,743	4,583,342
Payment of PTO debts/cases	(9,407)	(15,599)
Balance at the end of the year	<b>4,558,336</b>	<b>4,567,743</b>
<u>Other reserve</u>		
<u>Building reserve</u>		
Balance at the beginning of the year	6,287,691	5,983,778
Addition to reserve	247,180	303,913
Balance at the end of the year	<b>6,534,871</b>	<b>6,287,691</b>

The PTO reserve represents the Fiji Government's contributed equity to the Corporation in the form of net assets of the former Public Trustee Office. In 2017 upon review of the provisions in the Trust it was decided that the provision for investment impairment and part of the provision for trust claims be withdrawn which was part of the surplus funds from the establishment. A board resolution was further made to transfer the provision to a Building reserve fund which will be utilised to construct a new building extension to the Corporation's headquarters. Excluded from these net assets were debts of Trusts and Estates' accounts that remained outstanding on establishment of the Corporation.

The Corporation is required under s12(5) of the Fiji Public Trustee Corporation Act 2006 that "it shall continue to take all possible steps to recover the monies outstanding".

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020	2019
	\$	\$
<b>13 Capital (continued)</b>		
<b>Asset revaluation reserve</b>		
Balance at the beginning of the year	899,404	351,220
Revaluation of land and building	-	548,184
Balance at the end of the year	<u>899,404</u>	<u>899,404</u>

The asset revaluation reserve consists of increments arising from the revaluation of the Corporation's property, plant and equipment.

**14 Trusts and Estates under Administration**

The statement of financial position for the year ended 31 December 2020 was audited by an external auditor and signed on 27 October 2021. The audited financial statements does not include the statement of profit or loss and other comprehensive income as the Trusts & Estates does not earn any revenue neither it does it incur any expense in respect of the administration work being carried out. Therefore, the audited financial statements of Trusts & Estates Under Administration and related notes are special purpose financial statements that provide information on the value and nature of trusts being administered.

Total client assets and liabilities under administration and trusteeship are as follows. These amounts are not reflected in the Statement of Financial Position as they are held in trust on behalf of the Corporation's clients.

	2020	2019
	\$	\$
<b>Assets</b>		
Cash and cash equivalents	3,290,901	1,088,955
Held-to-maturity investments	20,549,989	22,589,979
Available-for-sale financial assets	2,155,487	2,482,997
Non-cash assets	31,436,253	30,588,073
Receivables	625,817	279,372
<b>Total assets</b>	<u>58,058,447</u>	<u>57,029,376</u>
<b>Liabilities</b>		
Related party payable	8,074,834	6,939,291
Provision for trust claims	828,580	1,074,085
Funds and assets pending distribution	49,155,033	49,016,000
<b>Total liabilities</b>	<u>58,058,447</u>	<u>57,029,376</u>
<b>Net Assets</b>	<u>-</u>	<u>-</u>

**(a) Investment Fees**

The Corporation charges investment fees for acting as trustees and managing the investment of Trust Funds. The fee is set as a percentage of funds under management as outlined in the Fiji Public Trustee Corporation Act. 2006. The investment fee is recognised at the time the service is provided and was 2.5% (2019: 2.5%).

Investment Fees	<u>398,488</u>	<u>432,604</u>
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**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020	2019
	\$	\$
<b>15 Notes to the Statement of Cash Flows</b>		
Reconciliation of net cash inflows from operating activities to operating (loss)/profit after income tax:		
Operating (loss)/profit after income tax	(72,580)	652,386
Depreciation on property, plant and equipment	108,399	97,872
Depreciation on right-of-use assets	14,566	15,162
Amortisation on intangible assets	38,294	-
Interest on lease liabilities	2,049	1,202
Net change in fair value of equity instruments	343,296	(367,955)
<i>Changes in assets and liabilities</i>		
Increase in deferred tax asset	(31,031)	(7)
Decrease/(increase) in income tax asset	25,460	(62,339)
(Increase)/decrease in receivables	(740,898)	43,617
(Decrease)/increase in accounts payable and accruals	(14,393)	110,430
Decrease/(increase) in other assets	18,491	(42,108)
	<u>(308,347)</u>	<u>448,260</u>

**16 Leases**

**a) Right-of-use assets**

Corporation as a lessee

Set out below are the carrying amounts of ROU assets recognised and the movements during the period:

	2020	2019
	\$	\$
<b><u>Office space</u></b>		
<b>Cost:</b>		
Balance at the beginning of the year	40,162	40,162
Addition during the year	21,882	-
Balance at the end of the year	<u>62,044</u>	<u>40,162</u>
<b><u>Accumulated depreciation</u></b>		
Balance at the beginning of the year	29,879	14,702
Addition during the year	14,566	15,177
Balance at the end of the year	<u>44,445</u>	<u>29,879</u>
<b>Net book value</b>	<u>17,599</u>	<u>10,283</u>

**b) Lease liabilities**

Balance at the beginning of the year	11,175	26,487
Add: Addition during the year	21,882	-
Add: Accretion of interest	2,049	1,202
Less: Repayments of principal and interest	(16,129)	(16,514)
Balance at the end of the year	<u>18,977</u>	<u>11,175</u>
Current	11,308	7,787
Non-current	7,669	3,388
	<u>18,977</u>	<u>11,175</u>

The following are the amounts recognised in profit or loss:

Interest on lease liabilities	2,049	1,202
Depreciation of ROU assets	14,566	15,177
	<u>16,615</u>	<u>16,379</u>

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS *continued***  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**16 Leases (continued)**

**b) Lease liabilities (continued)**

The Corporation had total cash outflows for leases of \$16,129 in 2020 and \$16,514 in 2019. The maturity analysis relating to leases are disclosed in Note 19. The Corporation received lease concession for the Lautoka office from April 2020 to December 2020 and Labasa office from June 2020 to July 2020.

**17 Financial Risk Management Objectives and Policies**

The Corporation's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to facilitate the Corporation's operations. The Corporation has trade and other receivables, investments and cash and cash equivalents that arrive directly from its operations.

The Corporation is exposed to market risk, interest rate risk, credit risk, liquidity risk and operational risk. The Corporation's senior management and Directors oversee the management of these risks. Appropriate policies and procedures are in place to ensure that financial risks are identified, measured and managed in accordance with the Corporation's policies and risk appetite. It is the Corporation's policy that no trading in speculative financial instruments shall be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and other price risks. Financial risk affected by market risk includes deposits and investments.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation's exposure to the risk of changes in market interest rates is limited as its investments and deposits are on held in fixed deposit accounts. These deposits are not redeemed until maturity.

**Foreign currency risk**

The Corporation's transactions involving foreign currency is minimal or nil.

**Credit risk**

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Corporation is exposed to credit risk from its operating activities (primarily for trade and other receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit risk related to receivables: The Corporation's largest credit exposure is from Trusts and Estates' funds which the Corporation manages itself. The settlement of this debt is within the Corporation's control.

Credit risk related to financial instruments and cash deposits: Credit risk from balances with banks and financial instruments is managed by the Corporation in accordance with its policies. Investments of surplus funds are made only with approved counterparties and are reviewed and approved by the Directors during the year.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Carrying amount 2020	Carrying amount 2019
	\$	\$
Cash and cash equivalents	574,235	705,586
Trade and other receivables	1,402,852	661,954
Financial assets	12,787,343	13,133,460
	<u>14,764,430</u>	<u>14,501,000</u>

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS *continued***  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**17 Financial Risk Management Objectives and Policies (continued)**

**Liquidity risk**

The Corporation monitors its risk to a shortage of funds using a recurring liquidity planning tool. The Corporation's objective is to maintain a balance between continuity of funding and flexibility through the use of varying maturity terms of investments. Refer to Note 9 for details of Financial Assets.

**Operational risk**

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Corporation's processes, personnel and technology and from external factors other than market, interest rate, and credit risk such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. The Corporation manages operational risk as part of the day to day operations and oversight and the responsibility for development and implementation of controls to address operational risk is assigned to management.

**18 Contingent Liabilities**

As at balance date there are no known contingent liabilities arising from any litigation against the Corporation and the Corporation has not granted any securities in respect of liabilities payable by any other parties whatsoever.

**19 Commitments**

a) Future lease commitments - as lessee

The total of the future minimum lease payments for each of the following periods are:

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Within one year	16,128	8,257
After one year but not more than five years	19,179	3,440
	<u><b>35,307</b></u>	<u><b>11,697</b></u>

Monthly lease payments of \$1,376 are made for both the Labasa and Lautoka office.

b) The total of the future minimum lease payments receivable by the Corporation for the following periods

Within one year	25,060	25,060
After one year but not more than five years	-	25,060
	<u><b>25,060</b></u>	<u><b>50,120</b></u>

The Corporation receives monthly rental payments of \$2,088 for the leased premises at Public Trustee House, Lot 83-85, Amy Street, Toorak, Suva.

**20 Related Parties**

The names of persons who were Directors of the Corporation at any time during the financial year are:

Mr Sunil Sharma (Chair)  
 Ms Lorraine Seeto (Deputy Chair)  
 Ms Bernadette Nicholls

**FIJI PUBLIC TRUSTEE CORPORATION PTE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**20 Related Parties (continued)**

Transactions with related entities during the year ended 31 December 2020 with approximate transaction values are summarised as follows:

	2020	2019
	\$	\$
Directors remuneration	31,000	37,150
Management remuneration	253,924	242,900

During the period the following persons were the executives identified as key management personnel, with the greatest authority and responsibility for planning and controlling the activities of the Corporation:

Mr Atonio Takala	Chief Executive Officer
Mr John Mow	Manager Finance and Administration & Company Secretary
Ms Salaseini Drekeni	Manager Estates & Trusts
Ms Priya Lal	Manager Legal

**21 Subsequent Events**

The unprecedented uncertainty in the economic environment continues post year end and it is difficult to predict what the eventual impact it may have on the Corporation. Actual economic events and conditions in future may be materially different from those estimated by the Corporation at the reporting date. In the event the COVID-19 pandemic impacts are more severe or prolonged than anticipated, this may have further adverse impacts to the fair value of the Corporation's investment portfolio of equities and of future prices achieved if the assets are to be realised.

Except for the continuing impact of COVID-19 into 2021 financial year, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Corporation, to affect significantly the operations and the results of those operations, or the state of affairs of the Corporation in subsequent financial years.

**22 Corporation Details**

The Corporation is incorporated in the Republic of Fiji and governed by the Companies Act, 2015 and Fiji Public Trustee Corporation Act 2006.

**Registered Office**

Fiji Public Trustee Corporation (Pte) Limited  
 Public Trustee House  
 Lot 83-85 Amy Street, Toorak, Suva, Fiji  
 P O Box 2276, Government Buildings, Suva  
 Telephone: +679 3315990  
 Email: info@fptcl.com.fj  
 Website: www.fijipublictrustee.com

**Branches**

Office #9, Popular Building  
 Cnr Vidilo & Naviti Street  
 Lautoka, Fiji  
 Telephone: +679 6660503

Office #7, Ground Floor  
 Local Wood Building  
 Sangam Avenue Road, Labasa, Fiji  
 Telephone: +679 8811125

## **Contact Us**

### **Suva Office**

Public Trustee House  
83-85 Amy Street, Toorak  
Office Mobile: 838 4326  
Short code: Voda: 5044, Digi: 612  
Telephone: +679 331 5990  
Email: [info@fptcl.com.fj](mailto:info@fptcl.com.fj)

### **Lautoka Office**

Office #9, Popular Building  
Cnr Vidilo & Naviti Street  
Office Mobile: 220 0068  
Short code: Voda: 5034  
Telephone: +679 666 0503

### **Labasa Office**

Office #7, Ground Floor  
Local Wood Building  
Sangam Avenue Road, Labasa  
Office Mobile: 220 0069  
Short code: Voda: 5032  
Telephone: +679 881 1120

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