TOYOTA TSUSHO (SOUTH SEA) LIMITED

FINANCIAL STATEMENTS 2018

Toyota Tsusho (South Sea) Limited

Contents

For the Year Ended 31 March 2018

Corporate Directory
For the Year Ended 31 March 2018

Directors	Yoshiaki Kato (Chairman) Teresa Julia Apted Satoshi Sase (resigned 31 March 2018) John Benedict Thomas (resigned 31 March 2018) Digby Bossley Craig Sims Mitsuyoshi Okutsu (appointed 1 April 2018) Terence Gerard Daubney (appointed 1 April 2018)
Secretary	Ronald Nitesh Kumar
Principal registered office in Fiji	Ratu Mara Road, Nabua Suva, Fiji Ph: 338 4888
Auditor	KPMG Chartered Accountants Suva, Fiji
Notice of annual general meeting	The 98th annual general meeting of the shareholders of Toyota Tsusho (South Sea) Limited
	Will be held at The Regional Training Centre, Asco Motors, Ratu Mara Road, Nabua
	Time 11.30 a.m.
	Date 13 July 2018

COMPANY PROFILE

Toyota Tsusho (South Sea) Limited has been operating in the Pacific for nearly 100 years. Initially part of the Burns Philp Group, the company has been majority owned by Toyota Tsusho Corporation since 1998.

Toyota Tsusho (South Sea) Limited, trading as Asco Motors, operates through dealerships which are strategically located throughout Fiji, Tonga, Samoa and American Samoa. The company markets Toyota, Yamaha, Massey Ferguson, Bridgestone, Kobe, other world proven products and also operates the Avis franchise. In each region that Asco Motors operates, it is the market leader in many of the market segments.

Chairman's Report

For the Year Ended 31 March 2018

Business Review

Consolidated revenue for the group for the financial year 2017/18 grew by 1.6% compared to the prior year results. The moderate growth for the group attributed to a growth of 2.3% in the Fiji operations. This was attributed to the strong fixed operations performance as well as the growth in the internally financed operating lease business. Toyota in Fiji and throughout the TTSS group continues to maintain the number one brand market share.

The 2017/18 financial year also saw the Fiji operations awarded another major government vehicle tender; with a successful delivery of over three hundred lease tender vehicles as at end of financial year and the remaining vehicles to be delivered in the 2018/19 financial year. Fiji operations also entered into a borrowing facility with Bank of South Pacific and Australia and New Zealand Banking Group to fund the government lease vehicles.

Consolidated fixed operations business experienced 13% sales growth from last year. Revenue from the car hire business in Fiji performed 14% better compared to last year, owing to a considerable increase in tourism arrivals and improving economic conditions.

Revenue in 2017/18 from trading activities for operations based in Samoa, Tonga and American Samoa remained static from the previous year mainly due to the continued static economic growth in all three countries.

The consolidated after tax profit for the 2017/18 year increased by FJD1.2m from the prior year. This increase was assisted by profits from the sale of vacant land in Fiji.

Dividend

Subsequent to year-end an interim dividend of 20 cents per share ($2.8m) for the 2017/18 financial year was determined by the board, payable in July 2018 (2017: $5.6m).

Staff

Staff numbers increased on a consolidated basis closing at 420 employees at the year-end. Employee capacity increased to support the growth in the Fiji operations mainly in the new lease tender business.

Employees form an integral part of business success and the group continues to invest in the learning and development of employees to maximise business performance, employee morale and employee empowerment.

On behalf of the Board of Directors of the company, I thank all of our employees for their continued efforts towards the results achieved during the year.

Corporate Social Responsibility

During the year, the Fiji operation donated in cash and in kind towards Petero Civoniceva Foundation annual marathon, which aims at combating NCD's in Fiji.

The company also established its CSR arm in February 2018 aptly named, The ASCO Foundation, with the aim of providing financial support towards health, road safety, education and environment sectors of our economy. The foundation is a separate entity with its own trust board exclusively funded by the profits of the Fiji operations.

The company continued to participate in various CSR activities in all of the countries, assisting the underprivileged members of the community.

Staff involvement in CSR activities is an integral part of the company's CSR policy. Active participation levels of staff have increased, especially in areas of environment conservation, health and wellbeing and charity drives to assist the underprivileged in society.

Outlook

Fiji's economic growth is expected to be moderate as the country heads into the general elections in 2018.

Business outlook is expected to be moderate. The vehicles market is forecast to remain very competitive, due to high levels of activity from existing and new entrants to the market in all segments including used vehicles. The fixed operations, marine and car hire businesses, however, are expected to grow. Business is focussed on improving the quality levels of our infrastructure and service levels as part of the long-term strategic goal.

Yoshiaki Kato
Chairman
Date: 15 June 2018

Corporate Governance Statement
31 March 2018

Toyota Tsusho (South Sea) Limited (TTSSL) is committed to strengthening its corporate governance and transparency in reporting, in accordance with the Listing Rules of the South Pacific Stock Exchange, the Companies Act 2015 for Fiji, Reserve Bank of Fiji's Corporate Governance Code for Capital Markets and International Financial Reporting Standards.

TTSSL's approach to governance, which has remained largely consistent over time, is to:

- promote long term profitability of TTSSL, while prudently managing risk;
- drive superior and sustainable shareholder value over the long term through alignment of the interests of shareholders and staff; and
- meet stakeholder expectations of sound corporate governance as part of TTSSL's broader responsibility to clients, shareholders, investors and the communities in which it operates.

Establish clear responsibilities for the Board oversight

The TTSSL Board is responsible for the overall corporate governance of the company. The TTSSL Articles of Association set out the powers and duties of directors in terms of managing the company effectively and efficiently. The Board has adopted a formal charter which details the Board's role and responsibilities and its relationship with management.

Each year, the Board reviews the company's strategies, the nature and scope of activities to be undertaken, and performance targets. The Board monitors management's performance relative to these objectives and targets.

Constitute an effective Board

TTSSL's Articles of Association specifies the number of directors may not be less than three (3) and not more than seven (7). The Board currently comprises six directors, including two independent directors and three resident directors.

The presence of independent non-executive directors on the Board promotes objectivity, challenge and debate. TTSSL's Board comprises qualified individuals with a wide range of experience and knowledge in the commercial sector.

Appointment of Chief Executive Officer

The Board appoints the Chief Executive Officer, TTSSL in accordance with the Articles of Association and the directors are expected to exercise due diligence in making this appointment.

Board and Company Secretary

The Board appoints the Company Secretary, in accordance with the Articles of Association and TTSSL's Recruitment Policy. The Company Secretary is the administrative link between Board and Management and is responsible for ensuring adherence to compliance issues. The Company Secretary coordinates effective and timely distribution of the Board meeting agenda and papers and ensures proper and detailed minutes are recorded.

Timely and balanced disclosure

TTSSL complies with its disclosure obligations under the SPSE Listing Rules and the Companies Act 2015 and provides its shareholders with information through regular market announcements.

TTSSL Annual Reports are subject to an independent audit and are in accordance with the Companies Act 2015, and are presented to the shareholders at the Annual General Meeting for adoption.

Promote ethical and responsible decision-making

TTSSL has a Code of Ethics in place, to guide the directors, CEO and employees in making ethical and responsible decisions. Directors and employees are encouraged to uphold high ethical standards, honesty, fairness and equity in all aspects of their employment and association with the company.

Register of interests

TTSSL directors are required to declare any conflicts of interest. All Board members declare their interests at the Board meetings and such interests are recorded in the Board minutes.

Respect the rights of shareholders

An Annual General Meeting is held every year in accordance with TTSSL's Articles of Association and shareholders are encouraged to participate. The Annual Report is published each year and circulated to the shareholders prior to the Annual General Meeting.

Accountability and Audit
TTSSL is audited externally each year and receives an independent audit report, which forms part of the Annual Report.

The company has a Business Review team that performs the functions of internal audit. Additionally, controls are periodically reviewed by the Business Review teams in the immediate parent company and the ultimate parent company. A risk based audit plan, which provides assurance over key business processes and commercial and financial risks facing the company, is managed by the immediate parent body, Toyota Tsusho South Pacific Holdings Pty Ltd.

A comprehensive management accounting system is in place providing management with financial and operational performance measurement indicators. Detailed management accounts and various analysis are prepared monthly to cover each major area of the business.

Recognise and manage risk
The TTSSL Board takes steps to ensure that key business and operational risks are identified and appropriate controls and procedures are put in place to manage these risks through having a clearly defined organisational structure with approved financial delegation authority limits, procedures relating to capital expenditure, policies to manage financial and market risks and appropriate due diligence procedures.

Directors' Report
31 March 2018

The directors present their report for the year ended 31 March 2018, together with the financial statements of the parent entity and its subsidiaries for the year ended 31 March 2018.

In accordance with a resolution of the Board of Directors, the directors herewith submit the statements of financial position of Toyota Tsusho (South Sea) Limited (the "Company and its subsidiaries") as at 31 March 2018 and the related statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year ended on that date and report as follows.

Investment in subsidiaries represents the Company's 100% investment in Toyota Tsusho American Samoa Inc, Toyota Tsusho (Samoa) Limited, and Toyota Tsusho (Tonga) Limited.

Directors

The following persons were directors of Toyota Tsusho (South Sea) Limited during the financial year and up to the date of this report:

Yoshiaki Kato
Teresa Julia Apted
Satoshi Sase (resigned 31 March 2018)
John Benedict Thomas (resigned 31 March 2018)
Digby Bossley
Craig Sims
Mitsuyoshi Okutsu (appointed 1 April 2018)
Terence Gerard Daubney (appointed 1 April 2018)

Reserves

Total reserves for the Group consist of foreign currency translation reserve, which amounted to $1,884,000 (2017: $1,987,000) as at 31 March 2018.

In line with requirements of the new Companies Act 2015 (effective from 2016), the directors approved the transfers of the capital redemption reserves of $55,889 and share premium reserves of $395,349 to contributed equity in the 2017 financial year.

Principal activities

During the year, principal continuing activities of the consolidated entity consisted of the importation and sale of motor vehicles, marine products, power generating equipment, spare parts, car hire and repairing of motor vehicles and equipment.

Dividends

On 13 June 2018, subsequent to the year end the Directors of Toyota Tsusho (South Sea) Limited resolved to declare an interim dividend of $0.20 per share amounting to $2,806,400 for the financial year ended 31 March 2018 (2017: Total dividends of 40 cents per share amounting to $5,612,881).

Results

The consolidated net profit after income tax expense for the group for the year was $16,414,000 (2017: $15,279,000). The company recorded a net profit after income tax expense of $16,039,000 (2017: $14,813,000).

The extent to which each subsidiary in the group contributed to the net consolidated profit covered by this report is disclosed in note 26.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the group in the period covered by this report.

Bad and doubtful debts

Prior to the completion of the financial statements of the Holding Company and its subsidiary companies, the directors took reasonable steps to ascertain what action had been taken in relation to writing off bad debts and the making of provision for impairment.

All known bad debts have been written off and adequate provision has been made for doubtful debts.

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

Current assets

Prior to the completion of the financial statements of the Holding Company and its subsidiary companies, the directors took reasonable steps to ascertain whether any current assets were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the company and its subsidiaries. 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.

Directors' Report (cont)
31 March 2018

As at the date of this report, the directors are not aware of any circumstances which would render the values attributed to current assets in the group financial statements, misleading or misstated.

Going concern

The directors believe that the Company and its subsidiaries will be able to continue to operate for at least 12 months from the date of this report.

Matters subsequent to balance date

Apart from the dividend declared subsequent to year end as disclosed in note 17(a), there has not arisen in the interval between the end of the 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 and management, to affect significantly the operations of the group or of the company, the results of those operations or the state of affairs of the group or of the company in subsequent financial years.

Basis of accounting

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 group financial statements, which would make adherence to the existing method of valuation of assets or liabilities of the company or its subsidiaries misleading or inappropriate.

Unusual transactions

Apart from the matters specifically referred to in the financial statements, in the opinion of the directors, the results of the operations of the group or of any companies in the group during the financial year were not substantially affected by any item, transaction or event of an abnormal nature likely, in the opinion of the directors, to affect substantially the results of the operations or disclosures noted therein of any company in the group in the current financial year.

Directors' benefit

Since the end of the financial year, no benefits (other than those included in the aggregate amount of emoluments received or due and receivable by the directors shown in the group financial statements or their fixed salary as a full time employee of the company) have accrued to any directors by reason of a contract made by the company, or a related corporation with that director or with any firm of which he/she is a member or a company in which he/she has a substantial financial interest.

Signed at Suva the 15 day of June 2018 in accordance with a resolution of the directors.

Yoshiaki Kato
Chairman

Craig Sims
Director

KPMG

INDEPENDENT AUDITORS' REPORT

To the members of Toyota Tsusho (South Sea) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Toyota Tsusho (South Sea) Limited ("the Company") and the consolidated financial statements of Toyota Tsusho (South Sea) Limited and its controlled entities (the "Group"), which comprise the statements of financial position as at 31 March 2018, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information as set out in notes 1 to 31.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company and of the Group as at 31 March 2018, and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountant (IESBA Code), the Companies Act 2015 and the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Revenue recognition (Consolidated:$171,126,000, Parent:$136,075,000)	
Refer to Note 6 of the financial statements	
The key audit matter	How our audit addressed the matter
Revenue recognition has been assessed as a key audit matter due to the different recognition policies for each revenue stream adding to the audit effort across the streams and the risk that revenue may be recognised prematurely (in the incorrect accounting period). The latter is a result either of the revenue to be earned under the service maintenance contract may be received in advance of providing services or goods may not be delivered.	Our audit procedures included: • Testing of controls, including among others, those for authorisation of sales transactions, management review and approval of reconciliations, accuracy of system inputs, acknowledgement of sale by customer, three way match of sales documentation, authorisation of price variation and authorisation of credit notes. • Comparing a sample of sales transactions recorded in the general ledger to underlying documentation such as issued invoices and delivery documents. • For a sample of sales transactions on vehicle and spare part revenue streams, immediately prior to yearend and immediately after, we checked for the recording of revenue in the relevant year. We checked the underlying documentation of dispatch and to the revenue recognition policies and criteria in the accounting standards. • Examining a sample of service maintenance contracts and assessing the timing of release of revenue based on calculation checks and comparing to the invoice approved by the customer.

INDEPENDENT AUDITORS' REPORT

To the members of Toyota Tsusho (South Sea) Limited

Report on the Audit of the Financial Statements - Continued

Other Information

Management is responsible for the other information. The other information comprises the information included in the Corporate Directory, Chairman's Report, Corporate Governance Statement and listing requirements of South Pacific Stock Exchange of the Company for the year ended 31 March 2018, but does not include the financial statements and our auditors' report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal control as management determines 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, management is responsible for assessing the Company and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company and Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company and the Group's internal control.

KPMG

INDEPENDENT AUDITORS' REPORT - CONTINUED

To the members of Toyota Tsusho (South Sea) Limited

Report on the Audit of the Financial Statements – Continued

Auditors' Responsibilities for the Audit of the Financial Statements - Continued

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company or the Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with 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 we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion:

i) proper books of account have been kept by the Company, sufficient to enable financial statements to be prepared, so far as it appears from our examination of those books; and

ii) to the best of our knowledge and according to the information and explanations given to us the financial statements give the information required by the Companies Act 2015, in the manner so required.

The engagement partner on the audit resulting in this independent auditors' report is Michael Yee Joy.

KPMG

KPMG
18 June , **2018**

Suva, Fiji

Michael Yee Joy

Michael Yee Joy, Partner

KPMG

INDEPENDENCE DECLARATION
FOR THE YEAR ENDED 31 MARCH 2018

Auditors Independence Declaration under Section 395 of the Companies Act 2015

To the Directors of Toyota Tsusho (South Sea) Limited

As required under Section 395 of the Companies Act 2015, we declare that to the best of our knowledge and belief, in relation to the audit for the year ended 31 March 2018 and up to the date of this report there have been:

i). no contraventions of the Auditor independence requirements as set out in the Companies Act 2015 in relation to the audit; and

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

KPMG

KPMG

18 June **, 2018**

Suva, Fiji

Michael Yee Joy

Michael Yee Joy, Partner

Statements of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 March 2018

		Consolidated		Parent	
		2018	2017	2018	2017
	Note	$'000	$'000	$'000	$'000
Revenue	6	**171,126**	168,443	**136,075**	133,040
Cost of sales		**(129,976)**	(129,678)	**(102,647)**	(101,358)
Gross profit		**41,150**	38,765	**33,428**	31,682
Other income	6	**3,809**	1,915	**4,001**	1,999
Selling and distribution expenses		**(665)**	(725)	**(497)**	(618)
Administrative and other expenses		**(25,109)**	(22,669)	**(18,268)**	(16,170)
Operating profit		**19,185**	17,286	**18,664**	16,893
Net finance (cost)/income	20	**(506)**	146	**(701)**	(249)
Profit before tax	5(a)	**18,679**	17,432	**17,963**	16,644
Income tax expense	9	**(2,265)**	(2,153)	**(1,924)**	(1,831)
Profit		**16,414**	15,279	**16,039**	14,813
Other comprehensive income					
Items that are or may be reclassified to profit or loss					
Foreign currency translation differences	25(a)	**(103)**	111	**-**	-
Other comprehensive (expense)/income for the year, net of tax		**(103)**	111	**-**	-
Total comprehensive income attributable to members of TTSSL		**16,311**	15,390	**16,039**	14,813
Earnings per share:					
Basic earnings per share	24(a)	**1.17**	1.09		
Diluted earnings per share	24(b)	**1.17**	1.09		

The above statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Statements of Financial Position

As At 31 March 2018

	Note	Consolidated 2018 $'000	Consolidated 2017 $'000	Parent 2018 $'000	Parent 2017 $'000
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	10	**5,769**	13,075	**2,434**	8,136
Trade and other receivables	11(a)	**18,077**	11,722	**12,410**	8,551
Inventories	12	**35,312**	28,220	**28,166**	21,803
Current tax receivable		**832**	-	**771**	-
Other assets	13(a)	**332**	2,166	**280**	2,071
TOTAL CURRENT ASSETS		**60,322**	55,183	**44,061**	40,561
NON-CURRENT ASSETS					
Trade and other receivables	11(b)	**414**	1,925	**395**	346
Investment in subsidiaries	26	**-**	-	**1,084**	1,084
Property, plant and equipment	14	**58,828**	38,358	**51,578**	32,489
Deferred tax assets	19	**128**	820	**-**	312
Other assets	13(b)	**1,109**	1,030	**1,102**	1,030
TOTAL NON-CURRENT ASSETS		**60,479**	42,133	**54,159**	35,261
TOTAL ASSETS		**120,801**	97,316	**98,220**	75,822
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	15	**12,372**	10,105	**8,063**	7,172
Interest-bearing liabilities	16	**10,048**	2,855	**10,048**	2,855
Provisions	17	**32**	96	**3**	24
Current tax liability		**-**	779	**-**	677
Other liabilities	18(a)	**953**	4,289	**947**	4,272
TOTAL CURRENT LIABILITIES		**23,405**	18,124	**19,061**	15,000
NON-CURRENT LIABILITIES					
Interest bearing liabilities	16	**10,880**	3,447	**10,880**	3,447
Provisions	17	**206**	199	**160**	145
Deferred tax liability	19	**-**	-	**363**	-
Other liabilities	18(b)	**2,693**	2,627	**2,684**	2,584
TOTAL NON-CURRENT LIABILITIES		**13,779**	6,273	**14,087**	6,176
TOTAL LIABILITIES		**37,184**	24,397	**33,148**	21,176
NET ASSETS		**83,617**	72,919	**65,072**	54,646
EQUITY					
Contributed equity	22	**14,483**	14,483	**14,483**	14,483
Reserves	25(a)	**1,884**	1,987	**-**	-
Retained earnings	25(b)	**67,250**	56,449	**50,589**	40,163
TOTAL EQUITY		**83,617**	72,919	**65,072**	54,646

For and on behalf of the Board

Yoshiaki Kato
Chairman

Craig Sims
Director

The above Statements of Financial Position should be read in conjunction with the accompanying notes.

Statements of Cash Flows

For the Year Ended 31 March 2018

		Consolidated		Parent	
		2018	2017	2018	2017
	Note	$'000	$'000	$'000	$'000
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers		**166,942**	167,713	**132,977**	130,982
Payments to suppliers and employees		**(178,483)**	(164,689)	**(145,646)**	(128,761)
Cash generated from operations		**(11,541)**	3,024	**(12,669)**	2,221
Interest paid	20	**(284)**	(245)	**(287)**	(243)
Income taxes paid		**(3,178)**	(1,160)	**(2,674)**	(646)
Net cash flow (used in)/from operating activities		**(15,003)**	1,619	**(15,630)**	1,332
CASH FLOWS FROM INVESTING ACTIVITIES:					
Proceeds from sale of plant and equipment		**1,324**	24	**1,405**	24
Interest received	6	**601**	315	**297**	67
Dividends received	6	**-**	-	**407**	384
Purchase of property, plant and equipment		**(3,189)**	(3,410)	**(1,194)**	(2,052)
Net cash (used in)/from investing activities		**(1,264)**	(3,071)	**915**	(1,577)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Proceeds from borrowings		**18,010**	8,000	**18,010**	8,000
Re-payment of borrowings		**(3,384)**	(1,698)	**(3,384)**	(1,698)
Dividends paid		**(5,613)**	(1,403)	**(5,613)**	(1,403)
Net cash generated from financing activities		**9,013**	4,899	**9,013**	4,899
Net (decrease)/increase in cash held		**(7,254)**	3,447	**(5,702)**	4,654
Cash and cash equivalents at beginning of year		**13,075**	9,516	**8,136**	3,482
Effect of exchange rate changes on cash held		**(52)**	112	**-**	-
Cash and cash equivalents at end of financial year	10	**5,769**	13,075	**2,434**	8,136

The above Statements of Cash Flows should be read in conjunction with the accompanying notes.

Statements of Changes in Equity

For the Year Ended 31 March 2018

	Note	Consolidated		Parent	
		2018	**2017**	**2018**	**2017**
		$'000	**$'000**	**$'000**	**$'000**
Total equity at beginning of financial year		**72,919**	57,529	**54,646**	39,833
Profit		**16,414**	15,279	**16,039**	14,813
Currency translation differences	25(a)	**(103)**	111	**-**	-
Total comprehensive income		**16,311**	15,390	**16,039**	14,813
Dividends paid or provided for	23	**(5,613)**	-	**(5,613)**	-
Total equity at end of the financial year		**83,617**	72,919	**65,072**	54,646

The above Statements of Changes in Equity should be read in conjunction with the accompanying notes.

Note 1: General information

Toyota Tsusho (South Sea) Limited ("the company")/("parent entity") and its subsidiaries [together ("the group")/("consolidated entity")] deal in the retailing and aftermarket operations of Toyota, Yamaha, Massey Ferguson, Bridgestone and Kobe franchises. The company is a limited liability company incorporated and domiciled in Fiji. The address of the registered office is Lot 1, Ratu Mara Road, Nabua, Suva, Fiji. The company is listed on the South Pacific Stock Exchange.

These consolidated financial statements were authorised for issue by the Board of directors on 15 June 2018. The Board of directors has the power to amend the financial statements after issue.

Note 2: Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented, except for the following:

Change in estimate

In accordance with its policy, the Group reviews the estimated useful lives of its fixed assets on an ongoing basis. This review indicated that the actual lives of various categories of property, plant and equipment were either longer or shorter than the estimated useful lives used for depreciation purposes in the Company's and Group's financial statements. As a result, effective 1 April, 2017, the Group changed its estimates of the useful lives of various categories of property, plant and equipment to better reflect the estimated periods during which these assets will remain in service (refer to Note 2(e). The effect of this change in estimate reduced 2018 depreciation expense for the Parent and Group by a net amount of $267,000 and $414,000 respectively, hence leading to an increase in profit before tax of the same amount for both the Parent and Group respectively. As a result of this change in estimate, there was an increase in 2018 basic and diluted earnings per share of the Group by $0.02 per share.

(a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and the requirements of the Companies Act, 2015.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of derivative financial assets and liabilities.

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

Standards, amendments and interpretations issued but not yet effective

The following standards, amendments and interpretations to existing standards have been published which are relevant to the Group and are mandatory for accounting periods beginning after 1 April 2017, but the Group does not plan to early adopt them. The impact of these standards and interpretations on the financial statements of the Company and the Group has not yet been fully determined.

IFRS 9 'Financial Instruments', published in July 2014 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carried forward the guidance on recognition and derecognition of financial instruments from IAS 39. The standard is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

IFRS 15 'Revenue from contracts with customers', IFRS 15 replaces existing revenue recognition guidance, including IAS 18 'Revenue', IAS 11 'Construction Contracts' and IFRIC 13 'Customer Loyalty Programmes' and establishes a comprehensive framework for determining whether, how much and when revenue is recognised. The standard is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

IFRS 16 'Leases', IFRS 16 introduces a single, on-balance sheet accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are optional exemptions for short-term leases and leases of low value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. The standard is effective for annual reporting periods beginning on or after 1 January 2019, with early adoption permitted.

Note 2: Summary of significant accounting policies (continued)

(b) Consolidation

Subsidiaries are entities controlled by the group. The group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

When the group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Investments in subsidiaries are accounted for at cost less impairment in the parent entity's financial statements.

(c) Segment information

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. Costs are allocated according to the applicable revenue line in which they are incurred.

A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments. Costs are allocated based on the physical locality of the business within an economy and a specific regulatory jurisdiction.

(d) Foreign currency transactions and balances

(i) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Fijian dollars, which is the company's functional and presentation currency.

(ii) Foreign controlled entities

As the foreign controlled entities are self-sustaining, their assets and liabilities are translated into Fijian currency at rates of exchange current at balance date, while their revenues and expenses are translated at the average of rates ruling during the year. Exchange differences arising on translation are taken to the foreign currency translation reserve on consolidation.

(iii) Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(e) Property, plant and equipment

In accordance with IAS 16, the group records all property, plant and equipment at cost less subsequent depreciation and impairment losses. Freehold land is not depreciated. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits with the item will flow to the group and the cost of the item can be measured reliably.

All other repairs and maintenance expenditures are charged to profit or loss during the financial year in which they are incurred.

Gains or losses on the disposal of property, plant and equipment are recognised in profit or loss.

Depreciation is provided on property, plant and equipment on a straight-line basis so as to write off the cost of assets over their expected economic life.

Note 2: Summary of significant accounting policies (continued)

(e) Property, plant and equipment (continued)

The depreciation rates currently adopted by the group are:

Fixed asset class	Depreciation rate
Leasehold land	Over the period of the lease
Leasehold buildings	5.00% or over the period of the lease, whichever is shorter
Freehold buildings	2.50% - 5.00% (2017: 5.00%)
Plant and equipment	15.00% - 33.00%
Motor Vehicles	20.00% (2017: 18.00% - 25.00%)
Computer hardware and software	20.00% - 33.33%
Showroom and fascia	5.00% - 15.00%

(f) Leases

Leases of property, plant and equipment where the group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the lease property and the present value of the minimum lease payments. The corresponding rent obligations, net of finance charges, are included in other long term payables. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the assets useful life and the lease term.

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

Lease income from operating leases is recognised as revenue on a straight-line basis over the lease term.

(g) Financial assets

The group classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and Receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The group's loan and receivables comprise 'trade and other receivables' and 'cash and cash equivalents' in the statement of financial position.

The group does not engage in regular purchase and sale of financial assets.

Financial assets are derecognised when the contractual rights to receive cash flows from the asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

Loans and receivables are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

(h) Trade and other receivables

(i) Trade receivables

All trade receivables are recognised at the amounts receivable as they are due for settlement. Collectability of trade receivables is reviewed on an on-going basis. Debts, which are known to be not collectable, are written off. A provision for impairment is raised when some doubt as to collection exists.

(ii) Term receivables

A receivable is recognised for this class of debtor when finance is provided to customers for terms of up to 4 years on completion of relevant security documentation. The carrying amount of the debt is shown net of unearned interest and provision for impairment.

Note 2: Summary of significant accounting policies (continued)

(i) Inventories

Inventories on hand and work in progress are stated at the lower of cost and net realisable value. Costs are assigned to individual items of stock on the basis of the landed direct cost, insurance, freight and an allocation of overhead expenditure, the latter being allocated on the basis of labour incurred. Adequate provision is made for slow moving and obsolete inventories.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are classified separately under current liabilities on the statements of financial position.

(k) Share capital

Ordinary shares are classified as equity.

(l) Trade and other payables

These amounts represent liabilities for goods and services provided to the holding company and the group prior to the end of the financial period and remain unpaid at period end. These amounts are unsecured and are usually paid within 30 days of recognition.

(m) Borrowings

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

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(n) Current and deferred income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or other comprehensive income.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and

- Temporary differences related to investment in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for individual subsidiaries in the Group and the reversal of temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Note 2: Summary of significant accounting policies (continued)

(n) Current and deferred income tax (continued)

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(o) Employee emoluments and benefits

(i) Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date, are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

(p) Provisions

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

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(q) Dividends

Provisions are made when dividends are declared by the Board of directors.

The parent entity is subject to the provisions of Fiji Income Tax Act and the Income Tax (Dividend) Regulations of 2001.

(r) Earnings per share

Basic earnings per share is determined by dividing the net profit after income tax attributable to shareholders of the group by the weighted average number of ordinary shares outstanding during the financial year.

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

Note 2: Summary of significant accounting policies (continued)

(s) Revenue recognition

Revenue comprises the fair value of the sale of goods and services. The group recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved.

(i) Operating revenue (product sales and services)

Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. Revenue is recognised when goods and services have been delivered to customers pursuant to a valid sales order and the associated risks have passed to the customer.

(ii) Sales with buy-back conditions

Certain sale contracts include conditions that require the company to either buy-back the vehicle sold at a specific price or guarantee a future trade-in-value. For such contracts, the company does not record the revenues related to these contracts at the time of delivery, but rather defers and recognises this revenue over the term of the contract.

Such sale contracts also require that vehicles be fully serviced and maintained by the company. Revenues related to performance of servicing and maintenance are deferred and recognised after actual servicing and maintenance is carried out by the company.

(iii) Dividend income

Dividend income is recognised when the right to receive payment is established.

(t) Comparative figures

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

(u) Rounding

Amounts have been rounded to the nearest thousand dollars except where otherwise noted.

(v) Assets and liabilities relating to sale and buy-back conditions

(i) Sale and buy-back assets - cost base of vehicles relative to guaranteed buy-back conditions

Costs relating to buy-back contracts expiring in the next financial year are disclosed as current assets and the remainder are disclosed as non-current assets (notes 13 and 21).

(ii) Sale and buy-back liabilities

(a) Guaranteed buy-back amounts

Amounts relating to buy-back contracts expiring in the next financial year are disclosed as current liabilities and the remainder are disclosed as non-current liabilities (notes 18 and 21).

(b) Lease instalments received in advance (deferred revenue on sales with buy-back conditions)

Amounts to be recognised as revenue in the next financial year are disclosed as current liabilities and the remainder are disclosed as non-current liabilities (note 18).

(c) Service contracts

Certain vehicle sales with buy-back conditions also have a parallel service contract. Under a service contract, the company guarantees to carry out specified levels of servicing for the vehicle, over the contract period at an agreed contract value. This value is held as a non-current liability (note 18), and is recognised in profit or loss as each service is performed on the vehicle.

Except for the guaranteed buy-back amounts, the sale and buy-back liabilities have not been discounted as the impact is not considered material to the financial statements.

Note 2: Summary of significant accounting policies (continued)

(v) Assets and liabilities relating to sale and buy-back conditions (continued)

(iii) Property, plant and equipment

Cost of vehicles subject to sales with buy-back conditions, net of the cost base relative to the guaranteed buy-back price, are held as property, plant and equipment. Each vehicle is depreciated over the period of the contract.

(w) Internally financed operating leases

The company has leased vehicles on operating lease to the Government of Fiji. Costs of vehicles subject to operating lease are held as property, plant and equipment. Each vehicle is depreciated at 20% over the period of the contract.

Revenue is recognised monthly based on the agreed contractual rates.

(x) Impairment

(i) Non-derivative financial assets

Financial assets not classified as at fair value through profit or loss are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes a default or delinquency by a debtor and indications that a debtor or issuer will enter bankruptcy.

(ii) Financial assets measured at amortised cost

The group considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the group uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

(iii) Non-financial assets

At each reporting date, the group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indications exist, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of cash inflows of other assets or cash generating units (CGUs). A CGU is the smallest group of assets that independently generates cash flow and whose cash flow is largely independent of the cash flows generated by other assets.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro-rata basis.

Note 3: Financial risk management

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

Risk management is carried out by finance executives and management of controlled entities of the group. Management and finance executives identify and evaluate financial risks in close cooperation with the group's operating units. The Board provides direction for overall risk management covering specific areas, such as mitigating foreign exchange risk, interest rate risk and credit risks, and investment of excess liquidity.

(a) Market risk

(i) Foreign exchange risk

Foreign exchange risk arises from recognised assets and liabilities that are denominated in a currency that is not the entity's functional currency (refer note 2 (d)).

The group operates in American Samoa (US Dollar), Samoa (Tala), Tonga (Pa'anga) and Fiji (Fijian Dollar) and procures assets and supplies from principal suppliers based predominantly in Australia (Australian Dollar), Thailand (US Dollar), Japan (Japanese Yen), Singapore (US Dollar), Indonesia (US Dollar) and New Zealand (New Zealand Dollar). As a measure, prompt settlement of liabilities (and assets if necessary) is exercised by management to minimise the exposure to foreign exchange losses. As an additional measure, the group negotiates competitive rates with its bankers to minimise losses and maximise gains when receipts and payments become due.

Management has set up a policy requiring group companies to manage their foreign exchange risk against their functional currency. The group companies are required to hedge their foreign exchange risk exposure arising from future commercial transactions and recognised assets and liabilities using forward exchange contracts (FECs). However, the FECs are not available in respect of certain South Pacific currencies. Hedge accounting has not been applied.

The contract value of FECs, in Fijian dollars, outstanding as at the reporting date was as follows:

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Forward exchange contracts	**1,111**	1,812	**1,111**	1,812

Given the short period from inception of the contracts to balance date, the fair value of these contracts is not considered material to the financial statements.

The group and company's exposure to foreign currency risk at the reporting date, in Fijian dollars, was as follows:

	Consolidated		
	USD	**AUD**	**JPY**
2018	**$'000**	**$'000**	**$'000**
Trade payables	**1,549**	**984**	**587**
2017			
Trade payables	1,240	321	462

	Parent		
	USD	**AUD**	**JPY**
2018	**$'000**	**$'000**	**$'000**
Trade payables	**720**	**532**	**539**
2017			
Trade payables	886	245	431

Note 3: Financial risk management (continued)

(a) Market risk (continued)

(ii) Sensitivity analysis

To determine the sensitivity to foreign exchange risk, the company calculates an implied volatility in exchange rates by calculating the maximum variation of month end spot rates from the average exchange rate for the year.

Group Sensitivity

At 31 March 2018, had the Fijian dollar strengthened/weakened by the implied volatility of 6% (2017: 6%) against the US dollar with all other variables held constant, the group's post-tax profits would have been FJD92,968 higher/ FJD92,968 lower (2017: FJD74,390 higher/ FJD74,390 lower), mainly as a result of foreign exchange gains/losses on translation of USD denominated trade payables.

The group's sensitivity to foreign exchange risk from other currencies was not material at balance date.

Parent Entity Sensitivity

At 31 March 2018, had the Fijian dollar strengthened/weakened by the implied volatility of 6% (2017: 6%) against the US dollar with all other variables held constant, the company's post-tax profits would have been FJD43,212 higher/ FJD43,212 lower (2017: FJD53,174 higher/ FJD53,174 lower), mainly as a result of foreign exchange gains/losses on translation of USD denominated trade payables.

The parent entity's sensitivity to foreign exchange risk from other currencies was not material at balance date.

(b) Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers.

The carrying amount of financial assets represents the maximum credit exposure.

Trade and other receivables

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The group has a credit policy in place under which each new customer is analysed individually for credit worthiness before the group's standard payment and delivery terms and conditions are offered. The group reviews customer's credit history through trade references with the customer's existing trade partners. Sales limits are established for each customer and reviewed on an individual case basis. Any sales exceeding those limits require approval from the Management Committee.

The majority of the group's customers have been transacting with the group for several years and no impairment loss has been recognised against these customers. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are wholesale, retail or end-user customer, their geographic location, industry and existence of previous financial difficulties.

At 31 March 2018 and 2017, the ageing of trade and term receivables, gross of impairment provisions, was as follows:

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Up to 3 months	**12,113**	7,335	**7,983**	5,987
3 to 6 months	**212**	832	**38**	198
Over 6 months	**420**	2,915	**420**	569
	12,745	11,082	**8,441**	6,754

Note 3: Financial risk management (continued)

(b) Credit risk (continued)

At 31 March 2018 and 2017, the ageing of trade and term receivables that were not impaired was as follows:

	Consolidated		Parent	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
Neither past due nor impaired	**11,762**	6,608	**7,918**	5,811
Past due 31-90 days, not impaired	**185**	594	**73**	166
Past due 91 days plus, not impaired	**510**	3,673	**375**	709
	12,457	10,875	**8,366**	6,686

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectable in full, based on the customer's historical payment record.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, marketable securities, and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business of the company, management aims at maintaining flexibility in funding by keeping committed credit lines available.

The table below analyses the group's financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date.

Consolidated	**Less than 1 year $'000**	**Between 1 and 2 years $'000**	**Between 2 and 5 years $'000**	**Greater than 5 years $'000**	**Contractual Outflows[1] $'000**	**Carrying Amount[2] $'000**
Year ended 31 March 2018						
Trade and other payables	**12,372**	**-**	**-**	**-**	**12,372**	**12,372**
Interest-bearing liabilities	**10,706**	**7,639**	**3,585**	**-**	**21,930**	**20,928**
Sale and buy-back liabilities	**287**	**233**	**1,027**	**-**	**1,547**	**1,547**
	23,365	**7,872**	**4,612**	**-**	**35,849**	**34,847**

Consolidated	**Less than 1 year $'000**	**Between 1 and 2 years $'000**	**Between 2 and 5 years $'000**	**Greater than 5 years $'000**	**Contractual Outflows[1] $'000**	**Carrying Amount[2] $'000**
Year ended 31 March 2017						
Trade and other payables	10,105	-	-	-	10,105	10,105
Interest-bearing liabilities	2,830	2,830	943	-	6,603	6,302
Sale and buy-back liabilities	2,269	283	960	-	3,512	3,512
	15,204	3,113	1,903	-	20,220	19,919

Parent	**Less than 1 year $'000**	**Between 1 and 2 years $'000**	**Between 2 and 5 years $'000**	**Greater than 5 years $'000**	**Contractual Outflows[1] $'000**	**Carrying Amount[2] $'000**
Year ended 31 March 2018						
Trade and other payables	**8,063**	**-**	**-**	**-**	**8,063**	**8,063**
Interest-bearing liabilities	**10,706**	**7,639**	**3,585**	**-**	**21,930**	**20,928**
Sale and buy-back liabilities	**287**	**224**	**1,027**	**-**	**1,538**	**1,538**
	19,056	**7,863**	**4,612**	**-**	**31,531**	**30,529**

Note 3: Financial risk management (continued)

(c) Liquidity risk (continued)

Parent	Less than 1 year $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Greater than 5 years $'000	Contractual Outflows[1] $'000	Carrying Amount[2] $'000
Year ended 31 March 2017						
Trade and other payables	7,172	-	-	-	7,172	7,172
Interest bearing liabilities	2,830	2,830	943	-	6,603	6,302
Sale and buy-back liabilities	2,255	275	960	-	3,490	3,490
	12,257	3,105	1,903	-	17,265	16,964

[1] Contractual outflows are inclusive of interest and fees.
[2] Carrying amount is net of interest and fees.

(d) Cash flow and fair value interest rate risk

The company entered into a fixed rate financial liability with Bank of South Pacific (BSP) and Australia and New Zealand Banking Group (ANZ) for funding of internally financed operating lease for Fiji Government. The internally financed operating lease is expected to derive a positive return over a period of 3 years.

The company does not account for any fixed-rate financial liability at fair value through profit or loss (FVTPL), therefore a change in interest rates at the reporting date cannot affect profit or loss.

(e) Capital risk management

The group's objectives when obtaining and managing capital are to safeguard the group's ability to continue as a going concern and provide shareholders with a consistent level of returns.

Note 4: Critical accounting estimates and judgments

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

(a) Critical accounting estimates and assumptions

The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Provisions, legal, warranty, doubtful debts, obsolescence and employee benefits

Provisions are measured at the value management best estimates an expenditure to be incurred at, to settle a present obligation at balance date. Market situations are often used to estimate provisions. Changes in market situations will create a difference between provisions recorded and actual amounts on settlement.

(ii) Depreciation

On acquiring an asset, management determines the most reasonable length of time it expects the group to maintain that asset with reference to characteristics of similar assets or classes of assets held by the group presently or in the past. Where there is no reference available to assets or classes of assets held at present or in the past, reference is made to industry benchmarks.

Each year, management assesses the carrying value of assets to determine whether they are impaired. Appropriate revisions to the policies are made, if necessary, or where any significant impairment losses are accounted for in the financial statements as a corrective measure, appropriate disclosure would normally follow.

(iii) Revenue recognition on sale and buy-back contracts

Revenue from buy-back contracts is recognised over the applicable contractual period. This is in line with the understanding that the period of allocation coincides with the life of the contract and that no variations in terms and conditions that may affect the allocation of revenue will be made thereafter. Adjustments to the allocation period based on variations to the terms and conditions of a sale and buy-back contract will have a direct effect on the amount of revenues recognised in one financial year from another.

Note 4: Critical accounting estimates and judgments (continued)

(a) Critical accounting estimates and assumptions (continued)

(iii) Revenue recognition on sale and buy-back contracts (continued)

The bases of the revenues recognised on sale and buy-back contracts are corrected in the financial year when it becomes known to management that there have been variations.

(b) Critical judgments in applying the entity's accounting policies

The assessment of the transfer of risk and rewards of ownership to the purchaser requires significant judgment. The group has determined that sale of vehicles that are subject to guaranteed buy-back provisions represent in substance a financing transaction and are accounted for as operating leases.

Note 5: Segment information

General information

For the group, the respective management executive committees and the Board act as the 'key decision makers'. Operating segments have been determined based on reports reviewed by the Board.

The Board considers the business from both a geographic and product perspective.

The reportable operating segments derive their revenue primarily from the retail and aftermarket operations of Toyota, Yamaha, Massey Ferguson, Bridgestone and Kobe franchises.

Sales between segments are carried out under normal commercial terms and conditions. The revenue from external parties reported to the Board is measured in a manner consistent with that in the statements of profit or loss and other comprehensive income.

(a) Operating segments

The group has four reportable segments, which are the four legal entities in the group: Fiji, Samoa, American Samoa and Tonga. In addition, revenues from external customers for each product or service line has been disclosed comprising: new vehicle, used vehicle, parts, tyres & batteries, service, panel, fuel, car rental, marine products, in-house operating lease vehicle revenue and sale and buy-back revenue. Segment revenues, expenses, assets and liabilities are those that are directly attributable to a segment. Segment assets include all assets used by that segment and consist primarily of operating cash, receivables, inventories, property, plant and equipment, net of related segment liabilities consisting primarily of trade and other creditors, employee entitlements and provisions.

2018	**Fiji**	**Samoa**	**American Samoa**	**Tonga**	**Inter-Entity Elimination**	**Group Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
External revenue and other income	140,076	13,887	13,320	8,023	(371)	**174,935**
Inter-segment revenue	-	-	-	-	-	**-**
Total segment revenue & other income	140,076	13,887	13,320	8,023	(371)	**174,935**
Segment profit before tax	17,963	932	79	113	(407)	**18,679**
Interest income (note 6)	297	166	138	-	-	**601**
Interest expense (note 20)	(287)	-	-	(1)	4	**(284)**
Depreciation expense (note 14)	(8,853)	(229)	(241)	(234)	-	**(9,557)**
Segment assets	98,220	10,646	10,369	2,878	(1,312)	**120,801**
Acquisitions of property, plant and equipment (excluding in-house operating lease vehicles, sale with buy-back vehicles and hire cars)	4,699	378	901	85	-	**6,063**
Segment liabilities	33,148	1,273	2,112	1,069	(418)	**37,184**

Note 5: Segment information (continued)

(a) Operating segments (continued)

2017	**Fiji**	**Samoa**	**American Samoa**	**Tonga**	**Inter-Entity Elimination**	**Group Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
External revenue and other income	134,866	14,408	14,131	6,953	-	**170,358**
Inter-segment revenue	173	-	-	-	(173)	**-**
Total segment revenue & other income	135,039	14,408	14,131	6,953	(173)	**170,358**
Segment profit before tax	16,644	798	379	1	(390)	**17,432**
Interest income (note 6)	67	113	135	-	-	**315**
Interest expense (note 20)	(243)	312	13	70	(397)	**(245)**
Depreciation expense (note 14)	(8,069)	(287)	(234)	(260)	-	**(8,850)**
Segment assets	75,822	9,957	10,001	2,138	(602)	**97,316**
Acquisitions of property, plant and equipment (excluding in-house operating lease vehicles, sale with buy-back vehicles and hire cars)	2,369	114	1,029	14	-	**3,526**
Segment liabilities	21,176	888	1,615	427	291	**24,397**

(b) Information about products and services

The following discloses revenue from external customers by product or service:

	2018	**2017**
	$'000	**$'000**
New Vehicles	**80,157**	84,816
Used Vehicles	**6,946**	11,282
Parts	**16,271**	14,213
Tyres & Batteries	**8,048**	8,153
Service	**7,947**	7,071
Panel	**2,964**	2,697
Fuel	**17,217**	14,473
Car Rental	**8,241**	7,246
Marine Products	**12,222**	9,293
Sale and Buy-Back	**1,078**	2,335
In-house Operating Lease	**10,035**	6,864
Other Income	**3,809**	1,915
	174,935	170,358

(c) Reportable segment assets and liabilities

The reports provided to the Executive Committee with respect to assets and liabilities are reviewed and measured in respect of geographical location only and are consistent with the financial statements.

Note 6: Revenue and other income

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Revenue				
Product sales	**140,861**	142,230	**110,467**	110,935
Service income	**10,911**	9,768	**8,344**	7,279
Car rental income	**8,241**	7,246	**6,182**	5,659
Sale and buy-back income	**1,078**	2,335	**1,047**	2,303
In-house operating lease income	**10,035**	6,864	**10,035**	6,864
	171,126	168,443	**136,075**	133,040
Other income				
Property rental and sub-lease income	**156**	163	**-**	4
Dividend income (note 27(b))	**-**	-	**407**	384
Interest (note 5)	**601**	315	**297**	67
Gain on sale of fixed assets	**1,761**	335	**1,760**	278
Administration and management fees from subsidiaries (note 27(a))	**-**	-	**378**	44
Other income	**1,291**	1,102	**1,159**	1,222
	3,809	1,915	**4,001**	1,999
Total income	**174,935**	170,358	**140,076**	135,039

Note 7: Profit before tax

Profit before tax has been determined after:

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Charging as expense:				
Depreciation (note 14)	**9,557**	8,850	**8,853**	8,069
Employee emoluments and benefits expenses (note 8)	**10,815**	11,258	**8,694**	8,541
Auditors remuneration for audit services:				
Auditors of the company – KPMG	**199**	124	**123**	89
Other auditors	**44**	62	**20**	30
Amounts set aside/(withdrawn) in respect of provisions:				
Trade and term debts (Note 11(a))	**81**	70	**7**	4
Employee emoluments (Note 15)	**2**	44	**29**	96
Employee benefits (Long service leave) (Note 17)	**7**	59	**15**	24
Stock obsolescence (Note 12)	**50**	(167)	**(18)**	(163)
Sundry (Note 17)	**(64)**	79	**(21)**	7

Note 8: Employee emoluments and benefits

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Staff	**8,478**	8,518	**7,300**	7,397
Key management personnel (note 27(c))	**2,337**	2,740	**1,394**	1,144
Total employee emoluments and benefits	**10,815**	11,258	**8,694**	8,541

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Superannuation (included in employee emoluments and benefits)	**829**	666	**585**	547

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
Number of employees	**420**	416	**323**	312

The employee emoluments and benefits are included as part of cost of sales and administrative and other expenses in the statements of profit or loss and other comprehensive income.

Note 9: Income Tax

(a) Income tax expense

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Current tax:				
Current tax	**1,301**	1,816	**1,016**	1,522
Adjustment in respect of prior years	**(8)**	70	**-**	78
Total current tax expense	**1,293**	1,886	**1,016**	1,600
Deferred tax:				
Origination and reversal of temporary Differences	**735**	267	**675**	231
Prior year adjustment	**237**	-	**233**	-
Total deferred tax expense	**972**	267	**908**	231
Income tax expense	**2,265**	2,153	**1,924**	1,831

Note 9: Income Tax (continued)

(b) The prima facie income tax payable on operating profit before income tax is reconciled to the income tax expense in the statements of profit or loss and other comprehensive income as follows:

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Profit before tax	**18,679**	17,432	**17,963**	16,644
Prima facie income tax expense calculated at 10% (2017: 10%) on operating profit	**1,868**	1,743	**1,796**	1,664
Add back tax effect of amounts which are not deductible				
50% superannuation	**29**	27	**29**	27
Fringe benefit tax	**10**	9	**10**	9
Donations	**8**	10	**8**	10
Stamp duty	**39**	-	**39**	-
Legalega land sales – fees and commissions	**19**	-	**19**	-
Deduct tax effect of amounts which are deductible				
Uniforms (50% deduction)	**(3)**	-	**(3)**	-
Legalega land sales	**(129)**	-	**(129)**	-
Tax losses utilised	**-**	-	**-**	-
	1,841	1,789	**1,769**	1,710
Income tax under provided in prior years	**200**	149	**155**	157
Recognition of temporary difference not previously brought to account	**-**	(3)	**-**	(36)
Difference in overseas tax rates	**224**	218	**-**	-
Income tax expense	**2,265**	2,153	**1,924**	1,831

Note 10: Cash and cash equivalents

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Cash on hand	**7**	7	**4**	4
Cash at bank	**5,762**	13,068	**2,430**	8,132
	5,769	13,075	**2,434**	8,136

As at 31 March 2018, the group has not utilised any of its bank overdraft facilities (2017: nil).

Note 11: Trade and other receivables

(a) Current assets

	Consolidated		Parent	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
Trade receivables	**9,622**	6,409	**7,861**	5,730
Provision for impairment - trade receivables	**(165)**	(82)	**(75)**	(68)
	9,457	6,327	**7,786**	5,662
Term receivables	**2,788**	2,851	**245**	763
Provision for impairment - term receivables	**(123)**	(125)	**-**	-
	2,665	2,726	**245**	763
Receivables from related parties (note 27(e))	**1,088**	397	**197**	385
Other receivables	**4,297**	1,507	**3,659**	1,134
Prepayments	**570**	765	**523**	607
	18,077	11,722	**12,410**	8,551

Trade and other receivables are expected to be settled / realised within 3 months and at the latest, within 12 months. Balances outstanding / unrealised beyond 3 months, and assessed to be non-collectable, have all been provided for. The current carrying values of all trade and other receivables are considered to be a close approximation of their fair values.

Movements in the provision for impairment of trade and term receivables are as follows:

Provision for impairment - Trade receivables

	Consolidated		Parent	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
At 1 April	**82**	84	**68**	64
Provision for impairment	**204**	71	**76**	27
Receivables written off during the year as uncollectable	**(14)**	(6)	**(14)**	-
Unused amount released	**(107)**	(68)	**(55)**	(23)
Exchange differences	**-**	1	**-**	-
At 31 March	**165**	82	**75**	68

Provision for impairment - Term receivables

	Consolidated		Parent	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
At 1 April	**125**	53	**-**	-
Provision for impairment	**-**	71	**-**	-
Unused amount released	**-**	-	**-**	-
Exchange differences	**(2)**	1	**-**	-
At 31 March	**123**	125	**-**	-

The other receivables and prepayments are not deemed to be impaired.

Note 11: Trade and other receivables (continued)

(b) Non-current assets

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Term receivables	**335**	1,822	**335**	261
Rental deposits	**79**	103	**60**	85
	414	1,925	**395**	346

Fair values

All term receivables are expected to be settled within 2 to 4 years and approximate their fair values based on the corporate borrowing rate which the company would have been entitled to at year end. The fair value of rental deposits approximates the current carrying values.

Note 12: Inventories

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Finished goods	**18,947**	21,105	**14,062**	16,366
Provision for obsolescence	**(636)**	(586)	**(406)**	(424)
	18,311	20,519	**13,656**	15,942
Goods in transit	**16,907**	7,648	**14,491**	5,835
Work in progress	**94**	53	**19**	26
	35,312	28,220	**28,166**	21,803

The cost of inventories and the amount of write-downs recognised as an expense and included in 'cost of sales' for the group amounted to $109,512,392 (2017: $118,665,436) and nil (2017: nil) respectively. The cost of inventories and the amount of write downs recognised as an expense and included in 'cost of sales' for the parent entity amounted to $85,579,567 (2017: $91,521,085) and nil (2017: nil) respectively.

Note 13: Other non-financial assets

(a) Other current assets

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Sale and buy-back assets (note 21)	**268**	2,019	**268**	1,999
Other current assets	**64**	147	**12**	72
	332	2,166	**280**	2,071

(b) Other non-current assets

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Sale and buy-back assets (note 21)	**1,109**	1,030	**1,102**	1,030

Note 14: Property, plant and equipment

	Consolidated		Parent	
	2018 $'000	2017 $'000	2018 $'000	2017 $'000
Freehold land & buildings				
At cost	**15,052**	13,976	**9,083**	8,150
Accumulated depreciation	**(7,576)**	(6,810)	**(4,882)**	(4,214)
Leasehold land & buildings				
At cost	**3,330**	3,432	**1,117**	1,237
Accumulated depreciation	**(2,755)**	(2,639)	**(726)**	(663)
Plant and equipment				
At cost	**24,987**	23,217	**18,342**	17,109
Accumulated depreciation	**(13,174)**	(13,260)	**(8,680)**	(8,554)
Sale & buy-back and internally financed operating lease vehicles				
At cost	**45,146**	26,667	**45,019**	26,540
Accumulated depreciation	**(8,915)**	(7,349)	**(8,795)**	(7,236)
Capital work in progress				
At cost	**2,733**	1,124	**1,100**	120
At end of year	**58,828**	38,358	**51,578**	32,489

Consolidated	Freehold land and buildings $'000	Leasehold land and buildings $'000	Plant and equipment $'000	Sale and buy-back and internally financed operating lease vehicles $'000	Total $'000
Year ended 31 March 2018					
Carrying amount at 1 April 2017	**8,290**	**793**	**9,957**	**19,318**	**38,358**
Additions	**676**	**35**	**6,570**	**23,993**	**31,274**
Disposals	**-**	**(115)**	**(1,439)**	**(1,454)**	**(3,008)**
Depreciation	**(410)**	**(136)**	**(3,386)**	**(5,625)**	**(9,557)**
Other movements – transfers*	**58**	**(3)**	**115**	**-**	**170**
Capital work in progress additions	**1,535**	**-**	**74**	**-**	**1,609**
Effect of movements in exchange rates	**(14)**	**1**	**(4)**	**(1)**	**(18)**
Carrying amount at 31 March 2018	**10,135**	**575**	**11,887**	**36,231**	**58,828**

Consolidated	Freehold land and buildings $'000	Leasehold land and buildings $'000	Plant and equipment $'000	Sale and buy-back and internally financed operating lease vehicles $'000	Total $'000
Year ended 31 March 2017					
Carrying amount at 1 April 2016	7,559	907	8,296	5,831	22,593
Additions	221	23	6,020	19,727	25,991
Disposals	-	-	(882)	(1,416)	(2,298)
Depreciation	(386)	(149)	(3,548)	(4,767)	(8,850)
Other movements – transfers*	(28)	12	59	(57)	(14)
Capital works in progress additions	1,124	-	-	-	1,124
Effect of movements in exchange rates	(200)	-	12	-	(188)
Carrying amount at 31 March 2017	8,290	793	9,957	19,318	38,358

Note 14: Property, plant and equipment (continued)

Parent	Freehold land and buildings $'000	Leasehold land and buildings $'000	Plant and equipment $'000	Sale and buy-back and internally financed operating lease vehicles $'000	Total $'000
Year ended 31 March 2018					
Carrying amount at 1 April 2017	**4,056**	**574**	**8,555**	**19,304**	**32,489**
Additions	**649**	**7**	**5,146**	**23,993**	**29,795**
Disposals	**-**	**(115)**	**(1,268)**	**(1,454)**	**(2,837)**
Depreciation	**(395)**	**(72)**	**(2,767)**	**(5,619)**	**(8,853)**
Other movements – transfers*	**11**	**(3)**	**(4)**	**-**	**4**
Capital work in progress additions	**906**	**-**	**74**	**-**	**980**
Carrying amount at 31 March 2018	**5,227**	**391**	**9,736**	**36,224**	**51,578**

Parent	Freehold land and buildings $'000	Leasehold land and buildings $'000	Plant and equipment $'000	Sale and buy-back and internally financed operating lease vehicles $'000	Total $'000
Year ended 31 March 2017					
Carrying amount at 1 April 2016	4,285	614	6,903	5,798	17,600
Additions	56	15	5,354	19,727	25,152
Disposals	-	-	(882)	(1,416)	(2,298)
Depreciation	(377)	(68)	(2,876)	(4,748)	(8,069)
Other movements – transfers*	(28)	13	56	(57)	(16)
Capital work in progress additions	120	-	-	-	120
Carrying amount at 31 March 2017	4,056	574	8,555	19,304	32,489

* Transfers relate to sale and buy-back vehicles which are transferred from property, plant and equipment to used vehicles inventories upon expiry or early termination of sale and buy-back arrangements. This also includes transfer of former hire cars to used vehicle inventories.

Note 15: Trade and other payables

	Consolidated		Parent	
	2018 $'000	**2017 $'000**	**2018 $'000**	**2017 $'000**
Trade creditors	**1,745**	2,370	**811**	1,508
Employee entitlement provisions	**1,128**	1,126	**877**	848
Accrued expenses	**1,182**	619	**927**	533
Related parties (note 27(e))	**3,409**	2,220	**2,091**	1,888
Other creditors	**4,908**	3,770	**3,357**	2,395
	12,372	10,105	**8,063**	7,172

Note 16: Interest-bearing liabilities

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Bank borrowing (unsecured)				
Current	**10,048**	2,855	**10,048**	2,855
Non-current	**10,880**	3,447	**10,880**	3,447
	20,928	6,302	**20,928**	6,302

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
Bank borrowing (unsecured)	**$'000**	**$'000**	**$'000**	**$'000**
6 months or less	**4,973**	1,303	**4,973**	1,303
6 - 12 months	**5,075**	1,552	**5,075**	1,552
1 - 5 years	**10,880**	3,447	**10,880**	3,447
	20,928	6,302	**20,928**	6,302

The company, during 2017, entered into loan finance agreement with BSP and ANZ to fund the Phase 5 Government of Fiji tender for the supply of in excess of 600 vehicles. This is addition to the 2016 Phase 4 Government of Fiji tender loan finance agreement. Both loan agreements are based on a fixed interest basis for a period of 3 years, respectively. There is no requirement for security over any assets of the company. The accounting for loan borrowings is in accordance with accounting policy note 2(m). The current carrying values of interest bearing liabilities are considered to be a close approximation of their fair values.

Note 17: Provisions

		Consolidated		Parent	
		2018	**2017**	**2018**	**2017**
		$'000	**$'000**	**$'000**	**$'000**
Current					
Dividends payable	(a)	**-**	-	**-**	-
Dividends payable to parent company	(a)	**-**	-	**-**	-
Sundry	(b)	**32**	96	**3**	24
		32	96	**3**	24
Non-current					
Employee benefits	(c)	**206**	199	**160**	145
		238	295	**163**	169

Consolidated

	Employee Benefits	Dividends	Dividends payable to parents shareholders	Sundry	Total
	$'000	$'000	$'000	$'000	$'000
Year ended 31 March 2018					
At 1 April 2017	**199**	**-**	**-**	**96**	**295**
Charged/(credited) to profit or loss					
- Additional provisions	**30**	**-**	**-**	**15**	**45**
- Used during the year	**(23)**	**-**	**-**	**(79)**	**(102)**
At 31 March 2018	**206**	**-**	**-**	**32**	**238**

Note 17: Provisions (continued)

Consolidated

	Employee Benefits	Dividends	Dividends payable to parents shareholders	Sundry	Total
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Year ended 31 March 2017					
At 1 April 2016	140	285	1,118	17	1,560
Charged/(credited) to profit or loss					
- Additional provisions	95	-	-	79	174
- Used during the year	(36)	(285)	(1,118)	-	(1,439)
At 31 March 2017	199	-	-	96	295

Parent

	Employee Benefits	Dividends	Dividends payable to parents shareholders	Sundry	Total
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Year ended 31 March 2018					
At 1 April 2017	**145**	**-**	**-**	**24**	**169**
Charged/(credited) to profit or loss					
- Additional provisions	**17**	**-**	**-**	**3**	**20**
- Used during the year	**(2)**	**-**	**-**	**(24)**	**(26)**
At 31 March 2018	**160**	**-**	**-**	**3**	**163**

Parent

	Employee Benefits	Dividends	Dividends payable to parents shareholders	Sundry	Total
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Year ended 31 March 2017					
At 1 April 2016	121	285	1,118	17	1,541
Charged/(credited) to profit or loss					
- Additional provisions	34	-	-	7	41
- Used during the year	(10)	(285)	(1,118)	-	(1,413)
At 31 March 2017	145	-	-	24	169

(a) Dividends

Subsequent to the year-end, in June 2018, the Board of directors declared final dividends of $2,806,400 (2017: Total dividends of $5,612,881) during the year. Dividends have been accounted for as per note 2(q).

(b) Sundry

The amount represents provisions for legal claims and unified campaigns. The provision charge is recognised in profit or loss within ‘administrative and other expenses’. The balance at 31 March 2018 is expected to be settled within the next financial year. In the Board’s opinion, after making an assessment of historical data, the current market situation, and taking legal advice, the outcome of these provisions is not expected to result in any significant loss beyond the amounts provided at 31 March 2018.

(c) Employee benefits

Provision for employee benefits relate to long service leave. The group is obliged to reward employees for years of service after 15 and 20 years of continuous employment. This provision estimates the extent of the benefit outstanding to an employee as a proportion of their 15 or 20 years of service and does not take into account the possibility of an employee being terminated, terminally ill, unfit for employment, voluntarily resigning or deceased. Employee benefits have been accounted for as per note 2(o).

Note 18: Other Liabilities

(a) Other current liabilities

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Sale and buy-back liabilities (note 21)	**287**	2,269	**287**	2,255
Service contracts	**94**	1,012	**94**	1,009
Sale and buy-back income in advance	**572**	802	**566**	802
Other current liabilities	**-**	206	**-**	206
	953	4,289	**947**	4,272

(b) Other non-current liabilities

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Sale and buy-back liabilities (note 21)	**1,260**	1,243	**1,251**	1,235
Service contracts	**625**	512	**625**	504
Sale and buy-back income in advance	**808**	872	**808**	845
	2,693	2,627	**2,684**	2,584

Note 19: Deferred tax assets

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Property, plant and equipment	**(226)**	483	**(499)**	192
Trade and term debtors	**62**	31	**8**	7
Inventories	**131**	88	**41**	42
Employee benefits	**72**	19	**16**	14
Other	**89**	199	**71**	57
	128	820	**(363)**	312

The gross movement on the deferred income tax account is as follows:

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Deferred tax – 1 April	**820**	997	**312**	543
Exchange differences	**43**	90	**-**	-
Income statement charge - current year (note 9(a))	**(735)**	(267)	**(675)**	(231)
Deferred tax - 31 March	**128**	820	**(363)**	312

Note 20: Net finance cost/(income)

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Interest expense (note 5(a))	**284**	245	**287**	243
Loan establishment cost	**187**	106	**187**	106
Net foreign exchange losses/(gains)	**35**	(497)	**227**	(100)
	506	(146)	**701**	249

Note 21: Sale and buy-back

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Current assets (note 13(a))	**268**	2,019	**268**	1,999
Non-current assets (note 13(b))	**1,109**	1,030	**1,102**	1,030
Current liabilities (note 18(a))	**(287)**	(2,269)	**(287)**	(2,255)
Non-current liabilities (note 18(b))	**(1,260)**	(1,243)	**(1,251)**	(1,235)

The above receivables and payables are included in the statements of financial position in respect of sale and buy-back transactions of the consolidated entity and its subsidiaries as described in note 2(v).

All sale and buy-back assets and liabilities of the group are with the three major banks with which the group operates. The carrying amounts of all sale and buy-back assets and liabilities reflected in the group's financial statements at balance date are considered to be a close approximation of their fair values.

Note 22: Contributed equity

(a) Share capital

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Share				
20,000,000 ordinary shares				
Issued and paid up capital				
Issued and paid up capital: 14,032,202 shares	**14,483**	14,032	**14,483**	14,032
Transfer from Capital Redemption reserve	**-**	56	**-**	56
Transfer from Share Premium reserve	**-**	395	**-**	395
	14,483	14,483	**14,483**	14,483

Shares of the Company have no par value.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote one vote per share at meetings of the Company and its controlled entities.

Capital redemption reserve related to the amount of distributable profits put aside in the company's accounts in prior years for redemption of shares. This reserve was not utilised for the purpose it was created for.

Share premium reserve related to share issue proceeds received in prior years in excess of the par value of shares as per Section 60 of the Companies Act, 1983 as at 31 March 2016.

Under the Companies Act 2015, capital redemption reserve and share premium reserve can no longer be established or maintained, hence these have been reclassified to issued and paid up capital in the prior year.

Note 23: Dividends per share

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Final interim dividend of 40 cents per share (2017: nil cents per share) (note 25(b))	**5,613**	-	**5,613**	-
	5,613	-	**5,613**	-

The dividends are accounted for in accordance with the policy note 2(q).

Note 24: Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share has been based on the following profit attributable to ordinary shareholders and number of ordinary shares outstanding:

	Consolidated	
	2018	**2017**
	$'000	**$'000**
Profit for the year attributable to members of TTSSL	**16,414**	15,279
Number of ordinary shares	**14,032**	14,032
Basic earnings per share	**1.17**	1.09

(b) Diluted earnings shares

Diluted earnings per share are the same as basic earnings per share.

(c) Net tangible assets per share

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Net tangible assets	**83,489**	72,099	**65,435**	54,334
Number of ordinary shares	**14,032**	14,032	**14,032**	14,032
Net tangible assets per share	**5.95**	5.14	**4.66**	3.87

Note 25: Reserves and retained earnings

(a) Reserves

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Foreign currency translation reserve	**1,884**	1,987	**-**	-
	1,884	1,987	**-**	-

Note 25: Reserves and retained earnings (continued)

(a) Reserves (continued)

	Consolidated		Parent	
	2018 $'000	2017 $'000	2018 $'000	2017 $'000
Movements:				
Foreign currency translation reserve				
Opening balance	**1,987**	1,876	**-**	-
Currency translation differences arising during the Year	**(103)**	111	**-**	-
Closing balance	**1,884**	1,987	**-**	-

Exchange differences arising on translation of the foreign controlled entities are taken to the foreign currency translation reserve, as described in note 2(d). The exchange differences are recognised in profit or loss when the net investment is disposed of.

(b) Retained earnings

	Consolidated		Parent	
	2018 $'000	2017 $'000	2018 $'000	2017 $'000
Retained profits at the beginning of the financial year	**56,449**	41,170	**40,163**	25,350
Net profit attributable to members of TTSSL	**16,414**	15,279	**16,039**	14,813
Dividends	**(5,613)**	-	**(5,613)**	-
Closing balance	**67,250**	56,449	**50,589**	40,163

Note 26: Investments in subsidiaries

Investments in subsidiaries (unlisted):

Name of company	TTSSL Investment Percentage		Contribution to group profit after tax		Book Value	
	2018 %	2017 %	2018 $'000	2017 $'000	2018 $'000	2017 $'000
Car Rentals Pacific Limited	100	100	**-**	-	**189**	189
Toyota Tsusho American Samoa Inc	100	100	**41**	256	**594**	594
Toyota Tsusho (Tonga) Limited	100	100	**87**	(2)	**1**	1
Toyota Tsusho (Samoa) Limited	100	100	**654**	595	**300**	300
			782	849	**1,084**	1,084

Shares in subsidiaries are carried at cost. They are accounted for in line with policy note 2(b).

Place of incorporation and place where business is carried out:

Car Rentals Pacific Limited	Fiji
Toyota Tsusho American Samoa Inc	American Samoa
Toyota Tsusho (Tonga) Limited	Tonga
Toyota Tsusho (Samoa) Limited	Independent State of Samoa

The business assets and liabilities of Car Rentals Pacific Limited were transferred to the parent company, Toyota Tsusho (South Sea) Limited, on 1 January 2005 and the company has been dormant since that time.

Note 27: Related parties

Details of interest in subsidiary companies are set out in note 26.

The immediate holding company of Toyota Tsusho (South Sea) Limited is Toyota Tsusho South Pacific Holdings Pty Ltd incorporated in New South Wales, Australia. Toyota Tsusho Corporation, incorporated in Japan, is the ultimate holding company of Toyota Tsusho (South Sea) Limited by virtue of 100% shareholding in Toyota Tsusho South Pacific Holdings Pty Ltd.

Transactions of directors and director related entities concerning shares or share options

During the year, the company and its subsidiaries entered into transactions with the immediate and ultimate holding companies.

(a) Sale of goods and services

	Consolidated		Parent	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Trade with subsidiaries	**7**	-	**-**	46
Management fees received from the subsidiaries	**-**	-	**378**	44
Trade with other related parties	**-**	55	**-**	55
Trade with Vision Car Rentals Ltd (vehicle sales and property lease income)	**5**	1,399	**-**	-
	12	1,454	**378**	145

(b) Dividends

	Consolidated		Parent	
	2018	2017	**2018**	2017
	$'000	$'000	**$'000**	$'000
Dividend received from Toyota Tsusho (Samoa) Limited	**-**	-	**407**	384
Dividend declared to Toyota Tsusho South Pacific Holdings Pty Ltd	**(4,473)**	-	**(4,473)**	-

(c) Key management personnel

Key management personnel include the management committee members and the group's directors who have the authority and responsibility for planning, directing, and controlling the activities of the entity, either directly or indirectly.

In addition to the directors, during the year the following persons were identified as key management personnel, with the greatest authority and responsibility for the planning, directing and controlling of activities:

Craig Sims (Chief Executive Officer) – parent entity and group.
Ronald Kumar (Financial Controller/Company Secretary) – parent entity.
Seiji Tokito (General Manager – Sales) – parent entity.
Sanjeet Kumar (National Fixed Operations Manager) – parent entity.
Indu Latika Ram (Group IT Manager – Support) – parent entity.
Elenoa Korovulavula (National Marketing Manager) – parent entity (resigned 6 September 2017).
Alrina Ali (National Marketing Manager) – parent entity (appointed 23 October 2017).
Gyanen Prasad (National Tyres & Battery Manager) – parent entity.
Evelyn Farouk (Avis Manager) – parent entity.
Avnit Sundar (Human Resource Manager) – parent entity.
August Huch (Chief Executive Officer – Samoa) – group.
Rajendra Singh (Chief Executive Officer – American Samoa) – group (resigned 29 July 2017).
Arthur Breckterfield (Chief Executive Officer – American Samoa) – group (appointed 4 December 2017).
Stan Moheloa (Chief Executive Officer – Tonga) – group. (resigned 31 March 2018).
Tonga Po'oi (Chief Executive Officer – Tonga) – group (appointed 1 April 2018).

Note 27: Related parties (continued)

(c) Key management personnel (continued)

The aggregate compensation of key management personnel is set out below:

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Emoluments	**2,139**	2,683	**1,205**	1,116
Short-term employee benefits	**198**	57	**189**	28
Total emoluments and benefits	**2,337**	2,740	**1,394**	1,144

The aggregate compensation of directors are set out below:

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Directors fee	**10**	6	**10**	6
Other benefits	**9**	17	**9**	17
Total fee and benefits	**19**	23	**19**	23

(d) Purchases of goods and services

The group made the following purchase of goods and services from related parties:

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Purchase of goods:				
Ultimate parent	**38,043**	37,721	**30,822**	30,576
Immediate parent	**53,437**	38,085	**47,548**	36,683
Total goods purchased from related parties	**91,480**	75,806	**78,370**	67,259
Purchase of services:				
Immediate parent – management fees	**2,234**	2,339	**1,876**	1,646
Immediate parent – other services	**-**	-	**-**	-
	2,234	2,339	**1,876**	1,646

(e) Year-end balances arising from sale and purchase of goods and services

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Receivable from related parties				
- Ultimate parent – TTC	**-**	-	**-**	-
- Immediate parent – TTSPH	**1,086**	154	**-**	119
- Subsidiaries	**-**	-	**195**	23
- Vision Car Rentals Ltd	**-**	-	**-**	-
- Other related parties**	**2**	243	**2**	243
Total receivable from related parties (note 11(a))	**1,088**	397	**197**	385

Note 27: Related parties (continued)

(e) Year-end balances arising from sale and purchase of goods and services (continued)

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Payable to related parties				
- Ultimate parent – TTC	**391**	15	**22**	-
- Immediate parent – TTSPH	**2,999**	2,192	**2,062**	1,698
- Subsidiaries	**-**	-	**-**	1
- Other related parties**	**19**	13	**7**	189
Total payable to related parties (note 15)	**3,409**	2,220	**2,091**	1,888

** Other related parties comprise of Toyota Tsusho (Papua New Guinea) Limited and Toyota Tsusho (Vanuatu) Limited.

Receivables from related parties arise mainly from cost recharges and are due one month after date of transaction. The receivables are unsecured and bear no interest.

Payables to the related parties arise mainly from purchase transactions and are due one month after the date of purchase. Interest is charged mainly on purchase of vehicles.

(f) Year-end balances arising from financial services

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Receivable from related parties				
- Vision Car Rentals Ltd	**1,240**	1,830	**-**	-

Receivable from Vision Car Rentals Ltd, which is included in Term Receivables in Note 11, arises mainly from the sale transactions under term finance arrangement and is subject to interest. The receivable is secured and Toyota Tsusho (Samoa) Limited retains title to vehicles sold under Samoa's Chattels Transfer Act of 1975.

Note 28: Contingent liabilities

	Consolidated		Parent	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Details and estimates of maximum amounts of contingent liabilities are as follows:				
- Guarantees and endorsements	**356**	451	**317**	407

The contingent liability for the company and group as at 31 March 2018 is in respect of guarantees and endorsements by the company and group relating to customer bonds. The directors are of the opinion that no losses will be incurred in respect of these contingent liabilities.

The company and group have no further contingent liabilities other than those disclosed above.

Note 29: Commitments for expenditure

(a) Property leases

The company and its subsidiaries have various lease agreements in the region, with the lease term ranging from 10 to 99 years. The total commitments for future rentals, which have not been provided for in the financial statements are as follows:

	Consolidated		Parent	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
Minimum lease payments:				
- not later than one year	**1,058**	583	**804**	342
- between one year and five years	**1,736**	956	**879**	152
- later than five years	**2,647**	2,862	**955**	1,131
	5,441	4,401	**2,638**	1,625

The Group has significant operating leases with:
- Airports Fiji Limited for 3 years with an annual rent of $103,613 (2017: $99,720)
- BSP Life for 3 years with an annual rent of $348,945 (2017: $208,199)
- iTaukei Land Trust Board for 99 years with an annual rent of $12,000 (2017: $12,000)
- Motor Distributors (Samoa) Limited for 10 years with an annual rent of $103,157 (2017: $102,708)
- American Samoa Government for 30 year with an annual rent of $29,141 (2017: $29,744)

(b) Capital commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:

	Consolidated		Parent	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
Property, plant and equipment	**3,399**	906	**1,702**	-

Note 30: Matters subsequent to the end of the financial year

Apart from the dividend declared subsequent to year end as disclosed in note 17(a), there has not arisen in the interval between the end of the 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 and management, to affect significantly the operations of the group or of the company, the results of those operations or the state of affairs of the group or of the company in subsequent financial years.

Note 31: Principal activities

During the year, the principal continuing activities of the consolidated entity consisted of the importation and sale of motor vehicles, marine products, power generating equipment, spare parts, car hire and the repairing of vehicles and equipment.

Directors' Declaration

In the opinion of the directors of Toyota Tsusho (South Sea) Limited:

a) the accompanying statements of profit or loss and other comprehensive income of the Company and its subsidiaries are drawn up so as to give a true and fair view of the results of the Company and its subsidiaries for the year ended 31 March 2018;

b) the accompanying statements of changes in equity of the Company and its subsidiaries are drawn up so as to give a true and fair view of the changes in equity of the Company and its subsidiaries for the year ended 31 March 2018;

c) the accompanying statements of financial position of the Company and its subsidiaries are drawn up so as to give a true and fair view of the state of affairs of the Company and its subsidiaries as at 31 March 2018;

d) the accompanying statements of cash flows of the Company and its subsidiaries are drawn up so as to give a true and fair view of the cash flows of the Company and its subsidiaries for the year ended 31 March 2018;

e) the accompanying financial statements have been prepared in accordance with the Companies Act 2015;

f) at the date of these statements there are reasonable grounds to believe the Company and its subsidiaries will be able to pay its debts as and when they fall due; and

g) all related party transactions have been adequately recorded in the books of the Company and its subsidiaries and are reflected in the attached financial statements.

Signed in accordance with a resolution of the Directors.

Dated at Suva this 15 day of June 2018

Yoshiaki Kato
Chairman

Craig Sims
Director

Stock Exchange Information
31 March 2018

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

a) Statement of interest of each director in the share capital of the company or a related corporation as at 31 March 2018 in compliance with Listing Requirements.

Directors' and Senior Managements' interest in the company is nil as at 31 March 2018.

b) Distribution of Share Holding

Holding	No. of Holders	% Holding
Less than 500 shares	90	0.14
501 to 5000 shares	43	0.38
5,001 - 10,000 shares	5	0.26
10,001 to 20,000 shares	1	0.09
20,001 to 30,000 shares	1	0.17
30,001 to 40,000 shares	1	0.26
50,001 to 100,000 shares	1	0.36
100,001 to 1,000,000 shares	1	4.16
Over 1,000,000 shares	2	94.18
Total	145	100.00

c) Top twenty shareholders listing as at 31 March 2018

	No. of shares held	% Holding
Toyota Tsusho South Pacific Holdings Pty Ltd	11,181,556	79.68
FNPF Board	2,034,270	14.50
QBE Insurance (Fiji) Ltd	583,330	4.16
Niranjan's Autoport Limited	50,885	0.36
Unit Trust of Fiji (Trustee Company) Ltd	36,780	0.26
Fiji National Provident Fund	23,892	0.17
Praful Patel Investments Pty Ltd (P & A Patel Superfund A/c)	13,363	0.10
Fiji Care Insurance Limited	10,000	0.07
Mr & Mrs Ishwar Nand	9,453	0.07
Fleishmans Limited	6,898	0.05
J. Santa Ram (Stores) Limited	5,080	0.04
Ishwar Nand	5,028	0.04
Olaf Ralp Engellandt-Grunert	4,852	0.03
Winston Chan	3,700	0.03
Kialiki Keith Reid	2,877	0.02
FHL Trustees Ltd ATF Fijian Holdings Unit Trust	2,204	0.02
Grish Maharaj	1,840	0.01
Edmund Arthur Danyers Jowett	1,839	0.01
Mohammed Haniff	1,839	0.01
Tutanekai Investments Limited	1,803	0.01
Phillip Moreton Newman	1,533	0.01
	13,983,022	99.65

d) **Share Register**

Central Share Registry Limited
Level 2, Plaza One, Provident Plaza
33 Ellery Street
GPO Box 11689
Suva, Fiji
Ph: 330 4130

e) The Board of directors met three times during the financial year. All three meetings were ordinary meetings. The following table shows the attendance of the directors at the Board meetings.

Director	Number of meetings entitled to attend	Number of meetings attended	Apologies received
Yoshiaki Kato	3	3	-
Teresa Julia Apted	3	3	-
John Benedict Thomas	3	3	-
Digby Bossley	3	3	-
Satoshi Sase	3	2	1
Craig Sims	3	3	-

f) **Past Five Year Performance ($'000)**

	2014	2015	2016	2017	2018
Net Profit	7,478	7,328	8,643	15,279	16,414
Assets	76,293	82,761	85,771	97,316	120,801
Liabilities	30,081	31,071	28,242	24,397	37,184
Equity	46,212	51,690	57,529	72,919	83,617
Financial Ratios					
Debt to equity	65%	60%	49%	33%	44%
Return on assets	10%	9%	10%	16%	14%
Return on equity	16%	14%	15%	21%	20%
Leverage	61%	62%	67%	75%	69%
Gearing	154%	166%	204%	299%	225%

g) The following table shows the highest and lowest share price during the course of the year.

	Share Price ($)
Highest	4.90
Lowest	3.20

As at 31 March 2018, the share price was $4.90 per issued share.

TOYOTA TSUSHO (SOUTH SEA) LIMITED

FINANCIAL STATEMENTS

2018