

MARKET ANNOUNCEMENT
For Public Release**Restated 2020 Annual Report****15th March 2021, Suva, Fiji**

Fiji Television Limited refers to its announcement on 26 February 2021 in which it advised the market that it was in the process of working with its auditor to revise its financial statements for the year ended 30 June 2020 and prior years.

The company has today released its Reissued Annual Report for the year ended 30 June 2020 and provides a further update to the market.

Restatement of 2020 Annual Report

The previously issued the Audited Financial Statements and Annual Report of the company for the year ended 30 June 2020 issued on 31 August 2020 and 3 November 2020 respectively, have been withdrawn and are replaced by the Reissued Annual Report.

The original audited financial statements were issued on 31 August 2020. Subsequent to issuance of the original financial statements, the Board had undertaken internal investigations which identified certain accounting adjustments relating to financial years 2020, 2019, and the earlier years. The adjustments made to these financial statements impact on results that were originally reported for financial years 30 June 2020 and 2019, whilst adjustments prior to this period have been made to the Retained Earnings balance brought forward as at 1 July 2018.

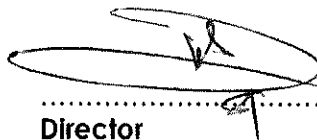
Shareholders present at the Annual General Meeting held on 20 November 2020 will recall that the Chairman had advised that the Board had become aware of some anomalies in the company's financial reporting system from initial internal investigations and that further investigations were being carried out.

The adjustment categories detailed on page 4 of the Directors Report in the Reissued Annual Report resulted with a cumulative negative impact amounting to \$5,773,163 to the retained earnings with corresponding reduction in net assets of the Group and the Company as at 30 June 2020.

The Board has commenced with the implementation of an improved governance, compliance and risk framework to ensure that risks are identified and escalated on a timely basis.



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Director
Fiji Television Limited



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Director
Fiji Television Limited

For more information, please contact Company Secretary, Poonam Nandani on email: poonamn@fijitv.com.fj

**PACIFIC
SERVICES****Pactok**

Fiji Television Limited
and Subsidiary
Re-issued Annual Report
For The Year Ended 30 June 2020

Fiji Television Limited and Subsidiary
Re-issued Annual Report
For the year ended 30 June 2020

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Fiji Television Limited and Subsidiary
Re-issued Annual Report
For the year ended 30 June 2020

Re-issued Directors' report

The Directors present their report together with the re-issued financial statements (hereafter referred to as Financial Statements) of Fiji Television Limited (the Company) and of the Group, being the company and its controlled entity (the Group) for the year ended 30 June 2020 and the re-issued auditor's report thereon.

Directors

The following were directors of the Company at the date of this report:

- Deepak Rathod Chairman
- Ajai Punja
- Abilash Ram
- Gurminder Singh

Principal activities

The principal activities of the Group during the financial year were the operation of commercial free to air and the selling and servicing of radio, television and communications products.

Re-issued Financial Statements and trading results

The previously issued financial statements of the company and the Group for the year ended 30 June 2020 dated 28 August 2020 are being withdrawn and are being replaced by these reissued financial statements.

Subsequent to the issue of the financial statements on 28 August 2020 for the year ended 30 June 2020, the Board undertook comprehensive internal investigations into the company's financial systems and records. Additionally, the Board commissioned an independent review by BDO Chartered Accountants. Together, these identified significant accounting exceptions and control deficiencies, resulting in accounting adjustments relating to financial years ended 30 June 2020 and prior years.

In light of these adjustments, the company and the external auditors have requested that in line with International Auditing Standard (ISA) 560 on Subsequent Events, these financial statements be recalled and amended Financial Statements be issued.

The company informed South Pacific Stock Exchange (SPX) of the above and on 26th February 2021, the Board announced that South Pacific Stock Exchange has placed suspension in trading of Fiji TV shares with immediate effect, which allowed time for the amended Financial Statements to be issued.

This represents Financial Statements that are being re-issued, pursuant to certain accounting adjustments that have been processed since the original financial statements were issued on 28 August 2020.

Fiji Television Limited and Subsidiary
Re-issued Annual Report
For the year ended 30 June 2020
Re-issued Directors' report (continued)

Re-issued Financial Statements and trading results (continued)

As a result of these adjustments, the consolidated results of the Group and the company have been impacted as follows:

	Consolidated 30 June 2020 \$	Consolidated 30 June 2019 \$	Company 30 June 2020 \$	Company 30 June 2019 \$
Profit for the year as per withdrawn financial statements issued on 28 August 2020	262,544	1,201,963	262,567	1,201,986
Impact of adjustments	(2,996,660)	(1,190,451)	(2,996,660)	(1,190,451)
Re-issued/ Re-stated Profit/(Loss) for the year	(2,734,116)	11,512	(2,734,093)	11,535

In addition to the above, a net amount of \$1,586,052 has also been processed to retained earnings of the Group and the company as at 1 July 2018 in relation to the adjustments required for the periods prior to 1 July 2018.

The above adjustments resulted with a cumulative negative impact amounting to \$5,773,163 to the retained earnings with corresponding reduction in net assets of the Group and the Company as at 30 June 2020.

Reference is made to Note 1 and Note 27 in the attached Financial Statements for a background on these adjustments that have been processed.

The details of the adjustments amounting to \$5,773,163 are summarised below:

Details	Amount (\$)
<ul style="list-style-type: none"> Increases in Provision for Doubtful Debts to provide for potential uncollectable and overstated balances in the trade receivables. 	2,350,999
<ul style="list-style-type: none"> Decreases in Other Receivables which relates to write-off of refundable deposits and accrued income, both not considered recoverable. 	790,240
<ul style="list-style-type: none"> Decreases in Prepayment balances to write-off balances recorded and carried forward on programming rights which have expired and not considered recoverable. 	780,725
<ul style="list-style-type: none"> Increases in Trade and other payables to recorded previously unrecorded liabilities. 	1,851,199
Total Aggregate Adjustments	5,773,163

Fiji Television Limited and Subsidiary
Re-issued Annual Report
For the year ended 30 June 2020
Re-issued Directors' report (continued)

Re-issued Financial Statements and trading results (continued)

In accordance with section 404 of the Companies Act 2015, a copy of the reissued Annual Report will be lodged with the Registrar of Companies and with the South Pacific Stock Exchange and the company will notify members as soon as practical of the reissued Annual Report and their right to obtain a copy.

The Board and the management are carrying out further investigations in regards to the accounting errors and anomalies, and further measures and actions will be taken as considered appropriate.

Improvements in Internal Controls and Other Corrective Measures.

The Board has instituted improvements in internal controls in the areas concerned. Directors have also taken measures to:

- Strengthen internal controls in areas that have been identified as weak.
- Further improvements in policies and procedures, to improve financial reporting functions and processes and to strengthen understanding of accounting policy and principles.
- Changes at senior management level.

Furthermore, the Board and management are focused on:

- Addressing past operational and accounting matters;
- Re-enforcing internal systems and protocols;
- Substantial enhancements of the risk management and governance framework;
- Full strategic review – sustainable growth; and
- Improvements in controls and reporting.

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.

Dividends

During the financial year, the Company declared and paid interim dividend of \$515,000 in January 2020.

Reserves

The directors recommend that no amounts be transferred to or from reserves.

Receivables

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

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

Current assets

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

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

Fiji Television Limited and Subsidiary
Re-issued Annual Report
For the year ended 30 June 2020

Re-issued Directors' report (continued)

Going concern and impact of COVID-19

The spread of novel coronavirus (COVID 19) was declared a public health emergency by the World Health Organisation on 31 January 2020 and upgraded to a global pandemic on 11 March 2020. The rapid rise of the virus has seen an unprecedented global response by Governments, regulators and industry sectors. The Fijian Government enacted its emergency plan which has seen the closure of Fijian borders from 19th March 2020.

There is considerable uncertainty around the possible duration of and the resulting depth of impact that may come from the disruption caused due to the fluidity of the situation. There is expected negative impact on revenues, operating results and liquidity for the Group and the Company's 2020/2021 year.

The Company incurred operating losses after income tax of \$2.7m in the current year and has accumulated losses of \$1.2m as at 30 June 2020. The Company does not have any working capital deficiency and any external borrowings except for lease liabilities arising from the implementation of IFRS 16: Leases. As at 30 June 2020, the Company had cash and cash equivalents of \$0.83m, term deposits with maturity of 12 months of \$4.1m in place with a financial institution, and an on-call deposit of \$1.75m with a related party. These would be sufficient to meet the Company's expenses and liabilities for the next 12 months from the date of signing of the financial statements.

The Directors acknowledge that uncertainty remains over commencement of tourism related activities being the major contributor to GDP and the trickle-down effects on other sectors. However, as described above, Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

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 subsidiary misleading or inappropriate.

Related party transactions

In the opinion of the directors all related party transactions have been adequately recorded in the books of the Company and its subsidiary.

Other circumstances

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

Unusual transactions

The results of the Company's and the Group's operations during the financial year have not, in the opinion of the directors been substantially affected by any item, transaction or event of a material and unusual nature other than those disclosed in the financial statements.

Directors' interest

Interests of directors at the date of this report in the ordinary shares of the Company was \$Nil. Mr Ajai Punja has an indirect interest by virtue of his interest in Hari Punja & Sons Limited, which has a significant shareholding in Fiji Television Limited.

Directors' benefit

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

Fiji Television Limited and Subsidiary
Re-issued Annual Report
For the year ended 30 June 2020
Re-issued Directors' report (continued)



Events Subsequent to Balance Date

The following changes in the key management personnel were noted subsequent to the financial year ended 30 June 2020:

Name	Title	
Karen Lobendahn	Chief Executive Officer	(resigned 11 September 2020)
Upendra Gounder	Manager Finance & Administration	(resigned 11 September 2020)
Rakesh Chand	Manager Content	(terminated 12 February 2021)
Sitiveni Halofaki	General Manager	(appointed 17 November 2020)
Poonam Nandani	Manager Finance & Administration	(appointed 1 December 2020)

Apart from the above and the matters raised in Note 27, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Group, to affect significantly the operations of the Company and the Group, the results of those operations, or the state of affairs of the Company and the Group, in subsequent financial years.

Signed in accordance with a resolution of the directors this 15th day of March 2021.


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Director
.....
Director

Fiji Television Limited and Subsidiary
Re-issued Annual Report
For the year ended 30 June 2020

Re-issued Directors' Declaration

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

The directors of the company have made a resolution that declares:

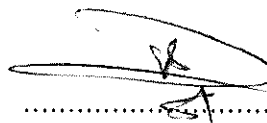
- (a) In the opinion of the directors, the issued financial statements of the company for the year ended 30 June 2020:
 - (i) comply with the International Financial Reporting Standards and give a true and fair view of the financial position of the company as at 30 June 2020 and of the performance and cash flows of the company for the year ended 30 June 2020; and
 - (ii) have been prepared in accordance with the Companies Act, 2015.
- (b) The directors have received independence declaration by auditors as required by Section 395 of the Companies Act, 2015; and
- (c) At the date of this declaration, in the opinion of the directors, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

For and on behalf of the Board of Directors by authority of a resolution of the Directors.

Signed in accordance with a resolution of the directors this 15th day of March 2021.



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Director



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Director



AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF FIJI TELEVISION LIMITED

As group auditor for the audit of Fiji Television Limited and its subsidiary for the financial year ended 30 June 2020, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the Companies Act 2015 in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Fiji Television Limited and the entity it controlled during the financial year ended 30 June 2020.

PricewaterhouseCoopers
Chartered Accountants

by

Kaushick Chandra
Partner

15 March 2021

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Independent auditor's report

To the Shareholders of Fiji Television Limited

Report on the audit of the consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements of Fiji Television Limited (the 'Company') and its subsidiary (together the 'Group'), which comprise the consolidated statement of financial position as at 30 June 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial positions of the Company and the Group as at 30 June 2020, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

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

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

Independence

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

Emphasis of Matter - Basis of accounting

We draw attention to Note 27 in the financial statements, which discusses that the financial statements have been revised and reissued as a result of accounting adjustments identified after issuance of the original financial statements. This audit report supersedes our audit report on the previously issued financial statements dated 28 August 2020. Our opinion is not modified in respect of this matter.

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Key Audit Matters

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

Key audit matter	How our audit addressed the key audit matter
<p>Basis of preparation - impact of COVID-19 Refer to Note 1(a) iii.</p> <p>The Group incurred operating losses after income tax of \$2.7m and has accumulated losses of \$922k as at balance date.</p> <p>The Group prepares its financial statement using IFRS, which is a going concern basis of accounting. We focused on the appropriateness of using a going concern basis of accounting given the recent volatility in global and local economy as a result of COVID-19 virus and its potential impact on demand for advertisement and sponsorship, being the Group's primary revenue sources. The ability of the Group to continue as a going concern is dependent on management's ability to maintain liquidity and generate positive cashflows in order to settle its debts as and when they arise.</p> <p>Management's assessment of going concern is based on cash flow projections and business plans, each of which is dependent on significant management judgement and can be influenced by management bias.</p>	<p>We performed the following procedures in assessing the appropriateness of the going concern assumption used in preparing the financial statements:</p> <ul style="list-style-type: none"> • Checking the mathematical accuracy of Management's cash flow forecasts and validated the opening cash position; • Obtaining evidence over Management's underlying cash flow projections for the Group by agreeing data to other external and internal sources as necessary; • Performing independent analysis to assess the impact of changes in the key assumptions underlying the cash flow forecast, such as weaker operational performance and timing of the receipts of cash from debtors, and the Group's ability to take mitigating actions, if required. <p>Specifically, we;</p> <ul style="list-style-type: none"> – Reviewed existing contracts with key customers which supports the basis of revenue forecasted; – Considered the impact of a likely delay in payments from the Group's customers and the impact on the Group's cash flows; – Considered the cash reserves and debt securities held by the Group; – Considered the fact that the Group do not have any working capital deficiency and any external borrowings; and – Reviewed the adequacy and appropriateness of management's going concern disclosures in the financial statements.

Key audit matter	How our audit addressed the key audit matter
<p>Cut- off of Advertisement and Sponsorship Revenue Refer also to Notes 1(o) and 4</p> <p>Timing of recognition for advertising and sponsorship revenues is considered a key audit matter, as both are varied with regards to the nature and timing of the activities to which they relate and are recognised once the program or advertisement gets aired.</p> <p>These terms vary by revenue stream, with advertising revenue being recognised after the advertisement gets aired and sponsorship being recognised after the program gets aired, thereby increasing the risk of premature recognition of revenues occurring close to balance date where the advertisement or program had not been aired.</p> <p>We focused on this area as a significant amount of time and attention was required given the significance of the revenue balance to the financial statements.</p>	<p>Our audit procedures in response to the cut-off of advertising and sponsorship revenue included the following:</p> <ul style="list-style-type: none"> • Understanding and evaluating the appropriateness of the entity's accounting policies, processes and controls over the recognition of advertising and sponsorship revenue. • Testing the timing of recording advertising and sponsorship sales by selecting a sample of advertising and sponsorship sale transactions recorded in the accounting records before and after the balance date, and sighting the terms and period coverage to ensure if the revenue was recorded in the correct accounting period. • Testing a sample of advertising and sponsorship transactions recorded during the year to supporting details on terms. • Performing subsequent receipts testing of accounts receivable balances for a selection of customers as at balance date.
<p>Valuation of trade receivables – expected credit losses Refer also to Notes 1(c), (k), (u) and 10</p> <p>The Company's trade receivable portfolio consists of amounts due from customers for advertising, sponsorship, and supply of communication equipment. At 30 June 2020, the Company's trade receivable balance amounted to \$4.47 million, of which \$3.95 million was provided for.</p> <p>The expectations around collection of the Company's trade receivables and the determination of the allowance for impairment for expected credit losses of these receivables requires judgement.</p>	<p>Our audit procedures included the following in response to the determination of expected credit losses:</p> <ul style="list-style-type: none"> • Understanding the Company's processes for trade receivable collection and impairment loss provisioning. • Inquiring with management their views of the current and future conditions that may impact expected customer receipts and ensuring that they have been factored in the provisioning assessment. Considered these factors to ensure they were consistent with available economic data and not inconsistent with our understanding.



Key audit matter	How our audit addressed the key audit matter
<p>The Company has individually assessed the provision for impairment on trade receivables taking into consideration the ability of customers to pay and its recoverability; and the increase in uncertainty in relation to current economic conditions.</p> <p>The deteriorating business conditions caused by COVID-19 outbreak has increased the Company's exposure to credit risk and introduced further estimation uncertainty in the determination of provision. Given this uncertainty, expected credit losses has been identified as a key audit matter.</p>	<ul style="list-style-type: none"> • Inquiring with management of any disputes with customers or collection concerns that might require further consideration in provisioning. • Reviewing management's information used to assess the impairment allowance, including subsequent settlements and correspondence. • Agreeing impairment allowances to the general ledger.

Other Information

Directors and management are responsible for the other information. The other information comprises the information included in the Group's Annual Report for the year ended 30 June 2020 (but does not include the consolidated financial statements and our auditor's report thereon).

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

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

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

Responsibilities of Directors and Management for the consolidated Financial Statements

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

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

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



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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors and management.
- Conclude on the appropriateness of the directors' and management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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



Report on Other Legal and Regulatory Requirements

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

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

Restriction on Use

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

A handwritten signature in dark ink, likely belonging to a representative of PricewaterhouseCoopers.

PricewaterhouseCoopers

A handwritten signature in dark ink, likely belonging to Kaushick Chandra.

Kaushick Chandra

**15 March 2021
Suva, Fiji**

Fiji Television Limited and Subsidiary
Re-issued Annual Report
Statements of profit or loss and other comprehensive income
For the year ended 30 June 2020

	Notes	Consolidated 2020	2019 Restated	Company 2020	2019 Restated
		\$	\$	\$	\$
Revenue	4	8,043,223	11,158,733	8,043,223	11,158,733
Other income	5(a)	612,937	755,014	612,937	755,014
		<u>8,656,160</u>	<u>11,913,747</u>	<u>8,656,160</u>	<u>11,913,747</u>
Expenses					
Programming, satellite delivery, communications merchandise and service		(5,255,753)	(6,132,537)	(5,255,753)	(6,132,537)
Employee benefits expense	6	(1,545,300)	(1,658,187)	(1,545,300)	(1,658,187)
Impairment loss on trade and other receivables	10	(1,021,081)	(995,324)	(1,021,081)	(995,324)
Impairment loss on investment property		-	(35,000)	-	(35,000)
Amortisation and depreciation expenses		(1,334,510)	(1,027,847)	(1,334,510)	(1,027,847)
Other expenses		<u>(2,287,999)</u>	<u>(2,001,736)</u>	<u>(2,287,999)</u>	<u>(2,001,736)</u>
Operating (loss)/profit		<u>(2,788,483)</u>	<u>63,116</u>	<u>(2,788,483)</u>	<u>63,116</u>
Finance income – interest income	5(b)	246,285	220,177	246,285	220,177
Finance costs		<u>(156,684)</u>	<u>(135,142)</u>	<u>(156,661)</u>	<u>(135,119)</u>
(Loss)/Profit before tax		<u>(2,698,882)</u>	<u>148,151</u>	<u>(2,698,859)</u>	<u>148,174</u>
Income tax expense	8(a)	<u>(35,234)</u>	<u>(136,639)</u>	<u>(35,234)</u>	<u>(136,639)</u>
(Loss)/Profit for the year		<u>(2,734,116)</u>	<u>11,512</u>	<u>(2,734,093)</u>	<u>11,535</u>
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Change in fair value of investment		210	490	210	490
Items that are or may be reclassified to profit or loss					
Foreign currency translation differences – foreign operations		<u>(1,976)</u>	<u>(8,260)</u>	<u>-</u>	<u>-</u>
Other comprehensive (loss) / income net of tax		<u>(1,766)</u>	<u>(7,770)</u>	<u>210</u>	<u>490</u>
Total comprehensive (loss) / income for the year		<u>(2,735,882)</u>	<u>3,742</u>	<u>(2,733,883)</u>	<u>12,025</u>
Diluted earnings per share	23	<u>(\$0.27)</u>	<u>\$0.00</u>		

The statements of profit or loss and other comprehensive income are to be read in conjunction with the notes to and forming part of the financial statements.

Fiji Television Limited and Subsidiary
Re-issued Annual Report
Statements of changes in equity
For the year ended 30 June 2020

Consolidated	Notes	Share capital	Foreign currency translation reserve	Fair value reserve	Revaluation reserve	Retained earnings / (Accumulated losses)	Total
		\$	\$	\$	\$	\$	\$
Balance at 1 July 2018 – previously reported	27	10,300,000	(372,610)	1,910	168,146	4,736,050	14,833,496
Adjustments to opening retained earnings		-	-	-	-	(1,586,052)	(1,586,052)
Restated balance at 1 July 2018		10,300,000	(372,610)	1,910	168,146	3,149,998	13,247,444
Total comprehensive income for the year							
Restated profit for the year	27	-	-	-	-	11,512	11,512
Other comprehensive income							
Fair value reserve		-	-	490	-	-	490
Foreign currency translation differences – foreign operations		-	(8,260)	-	-	-	(8,260)
Total other comprehensive income		-	(8,260)	490	-	-	(7,770)
Total restated comprehensive income for the year		-	(8,260)	490	-	11,512	3,742
Transactions with owners recognised directly in equity							
Dividends	24	-	-	-	-	(834,300)	(834,300)
Restated balance at 30 June 2019		10,300,000	(380,870)	2,400	168,146	2,327,210	12,416,886
Restated balance at 1 July 2019		10,300,000	(380,870)	2,400	168,146	2,327,210	12,416,886
Total comprehensive income							
Loss for the year		-	-	-	-	(2,734,116)	(2,734,116)
Other comprehensive income							
Fair value reserve		-	-	210	-	-	210
Foreign currency translation differences – foreign operations		-	(1,976)	-	-	-	(1,976)
Total other comprehensive income		-	(1,976)	210	-	-	(1,766)
Total comprehensive loss for the year		-	(1,976)	210	-	(2,734,116)	(2,735,882)
Transactions with owners recognised directly in equity							
Dividends	24	-	-	-	-	(515,000)	(515,000)
Balance at 30 June 2020		10,300,000	(382,846)	2,610	168,146	(921,906)	9,166,004

The statements of changes in equity are to be read in conjunction with the notes to and forming part of the financial statements.

Fiji Television Limited and Subsidiary
Re-issued Annual Report
Statements of changes in equity - continued
For the year ended 30 June 2020

Company	Notes	Share capital	Fair value reserve	Revaluation Reserve	Retained earnings / (Accumulated losses)	Total
		\$	\$	\$	\$	\$
Balance at 1 July 2018 – previously reported		10,300,000	1,910	168,146	4,444,201	14,914,257
Adjustments to opening retained earnings		-	-	-	(1,586,052)	(1,586,052)
Restatement to 2018 ending retained earnings	27	10,300,000	1,910	168,146	2,858,149	13,328,205
Total comprehensive income for the year						
Restated profit for the year	27	-	-	-	11,535	11,535
Other comprehensive income						
Fair value reserve		-	490	-	-	490
Total other comprehensive income for the year						
Total restated comprehensive income for the year		-	490	-	-	490
Transactions with owners recognised directly in equity						
Dividend	24	-	-	-	(834,300)	(834,300)
Restated balance at 30 June 2019		10,300,000	2,400	168,146	2,035,384	12,505,930
Restated balance at 1 July 2019		10,300,000	2,400	168,146	2,035,384	12,505,930
Total comprehensive income for the year						
Loss for the year		-	-	-	(2,734,093)	(2,734,093)
Other comprehensive income						
Fair value reserve		-	210	-	-	210
Total other comprehensive income for the year						
Total comprehensive loss for the year		-	210	-	-	210
Transactions with owners recognised directly in equity						
Dividend	24	-	-	-	(2,734,093)	(2,733,883)
Balance at 30 June 2020		10,300,000	2,610	168,146	(515,000)	(515,000)
					(1,213,709)	9,257,047

The statements of changes in equity are to be read in conjunction with the notes to and forming part of the financial statements.

Fiji Television Limited and Subsidiary
Re-issued Annual Report
Statements of financial position
As at 30 June 2020

	Notes	30 June 2020	Consolidated 30 June 2019 Restated	1 July 2018 Restated
Current assets		\$	\$	\$
Cash and cash equivalents	9	829,803	945,026	3,597,801
Trade and other receivables	10	1,166,538	2,976,379	3,571,036
Inventories	11	21,695	244,086	170,100
Debt securities	12	5,850,000	5,752,108	5,650,000
Total current assets		<u>7,868,036</u>	<u>9,917,599</u>	<u>12,988,937</u>
Non-current assets				
Property, plant and equipment	13	4,107,354	5,155,939	5,513,227
Right of use assets	14	1,190,328	1,309,984	1,498,805
Intangible assets	15	18,348	25,688	33,028
Investment property	16	388,907	245,000	280,000
Equity securities	17	3,110	2,900	2,410
Deferred tax assets	8(b)	41,633	14,287	-
Total non-current assets		<u>5,749,680</u>	<u>6,753,798</u>	<u>7,327,470</u>
Total assets		<u>13,617,716</u>	<u>16,671,397</u>	<u>20,316,407</u>
Current liabilities				
Trade and other payables	18	2,788,413	2,582,373	3,530,167
Contract liabilities	19	63,550	-	1,793,360
Employee entitlements	20	89,541	155,564	160,239
Current tax liability	8(c)	170,613	113,805	17,521
Lease liabilities	14	183,514	142,428	142,428
Total current liabilities		<u>3,295,631</u>	<u>2,994,170</u>	<u>5,643,715</u>
Non-current liabilities				
Deferred tax liabilities	8(b)	-	-	22,477
Lease liabilities	14	1,156,081	1,260,341	1,402,771
Total non-current liabilities		<u>1,156,081</u>	<u>1,260,341</u>	<u>1,425,248</u>
Total liabilities		<u>4,451,712</u>	<u>4,254,511</u>	<u>7,068,963</u>
Net assets		<u>9,166,004</u>	<u>12,416,886</u>	<u>13,247,444</u>
Shareholders' equity				
Share capital	21	10,300,000	10,300,000	10,300,000
Fair value reserve	22	2,610	2,400	1,910
Foreign currency translation reserve	22	(382,846)	(380,870)	(372,610)
Revaluation reserve	22	168,146	168,146	168,146
(Accumulated losses) / Retained earnings		<u>(921,906)</u>	<u>2,327,210</u>	<u>3,149,998</u>
Total shareholders' equity		<u>9,166,004</u>	<u>12,416,886</u>	<u>13,247,444</u>

Fiji Television Limited and Subsidiary
Re-issued Annual Report
Statements of financial position – continued
As at 30 June 2020

	Notes	30 June 2020	Company 30 June 2019 Restated	1 July 2018 Restated
Current assets		\$	\$	\$
Cash and cash equivalents	9	829,803	930,871	3,584,938
Trade and other receivables	10	1,152,093	2,976,379	3,571,036
Inventories	11	21,695	244,086	170,100
Debt securities	12	5,850,000	5,752,108	5,650,000
Current tax asset	8(c)	-	-	70,473
Total current assets		<u>7,853,591</u>	<u>9,903,444</u>	<u>13,046,547</u>
Non-current assets				
Property, plant and equipment	13	4,107,354	5,155,939	5,513,227
Right of use assets	14	1,190,328	1,309,984	1,498,805
Intangible assets	15	18,348	25,688	33,028
Investment property	16	388,907	245,000	280,000
Equity securities	17	3,110	2,900	2,410
Deferred tax assets	8(b)	41,633	14,287	-
Total non-current assets		<u>5,749,680</u>	<u>6,753,798</u>	<u>7,327,470</u>
Total assets		<u>13,603,271</u>	<u>16,657,242</u>	<u>20,374,017</u>
Current liabilities				
Trade and other payables	18	2,782,070	2,576,167	3,524,537
Contract liabilities	19	63,550	-	1,793,360
Employee entitlements	20	89,541	155,564	160,239
Current tax liability	8(c)	71,468	16,812	-
Lease liabilities	14	183,514	142,428	142,428
Total current liabilities		<u>3,190,143</u>	<u>2,890,971</u>	<u>5,620,564</u>
Non-current liabilities				
Deferred tax liabilities	8(b)	-	-	22,477
Lease liabilities	14	1,156,081	1,260,341	1,402,771
Total non-current liabilities		<u>1,156,081</u>	<u>1,260,341</u>	<u>1,425,248</u>
Total liabilities		<u>4,346,224</u>	<u>4,151,312</u>	<u>7,045,812</u>
Net assets		<u>9,257,047</u>	<u>12,505,930</u>	<u>13,328,205</u>
Shareholders' equity				
Share capital	21	10,300,000	10,300,000	10,300,000
Fair value reserve	22	2,610	2,400	1,910
Revaluation reserve	22	168,146	168,146	168,146
(Accumulated losses) / Retained earnings	22	(1,213,709)	2,035,384	2,858,149
Total shareholders' equity		<u>9,257,047</u>	<u>12,505,930</u>	<u>13,328,205</u>

Signed in accordance with the resolution of the Board.

.....
Director

.....
Director

The statements of financial position are to be read in conjunction with the notes to and forming part of the financial statements.

Fiji Television Limited and Subsidiary
Re-issued Annual Report
Statements of cash flows
For the year ended 30 June 2020

	Notes	Consolidated		Company	
		2020	2019	2020	2019
		\$	\$	\$	\$
Cash flows from operating activities					
Cash receipts from operations		8,914,520	9,586,694	8,926,815	9,577,695
Cash paid to suppliers and employees		(8,214,375)	(10,795,669)	(8,214,514)	(10,796,245)
Interest paid		(125,715)	(135,144)	(125,692)	(135,121)
Cash flows from/(used in) operating activities		<u>574,430</u>	<u>(1,344,119)</u>	<u>586,609</u>	<u>(1,353,671)</u>
Cash flows from investing activities					
Acquisition of property, plant and equipment		(41,935)	(474,398)	(41,935)	(474,398)
Proceeds from disposal of property, plant and equipment		-	32,661	-	32,661
Interest received		246,285	220,177	246,285	220,177
Expenditure on investment property		(143,906)	-	(143,906)	-
Investment in Term Deposit - net		<u>(97,892)</u>	<u>(102,108)</u>	<u>(97,892)</u>	<u>(102,108)</u>
Cash flows used in investing activities		<u>(37,448)</u>	<u>(323,668)</u>	<u>(37,448)</u>	<u>(323,668)</u>
Cash flows from financing activities					
Dividends paid		(515,000)	(834,300)	(515,000)	(834,300)
Repayment of principal lease payments		<u>(135,229)</u>	<u>(142,428)</u>	<u>(135,229)</u>	<u>(142,428)</u>
Cash flows used in financing activities		<u>(650,229)</u>	<u>(976,728)</u>	<u>(650,229)</u>	<u>(976,728)</u>
Net decrease in cash and cash equivalents held		(113,247)	(2,644,515)	(101,068)	(2,654,067)
Cash and cash equivalents at 1 July		945,026	3,597,801	930,871	3,584,938
Effect of exchange rates changes on cash held		(1,976)	(8,260)	-	-
Cash and cash equivalents at 30 June	9	<u>829,803</u>	<u>945,026</u>	<u>829,803</u>	<u>930,871</u>

The statements of cash flows are to be read in conjunction with the notes to and forming part of the financial statements.

Fiji Television Limited and Subsidiary
Re-issued Annual Report
Notes to and forming part of the financial statements
For the year ended 30 June 2020

Fiji Television Limited (the “Company”) is a publicly listed company incorporated and domiciled in the Republic of the Fiji Islands and its registered office and principal place of business is located at 78 Brown Street, Suva, Fiji.

1. Statement of significant accounting policies

The principal accounting policies adopted by Fiji Television Limited and its controlled entity are stated to assist in the understanding of the financial statements. These policies have been consistently applied by the Company and Group except where otherwise indicated.

The financial statements were authorised for issue by the directors on 15th March 2021.

(a) Basis of accounting

- i. The financial report is a general purpose financial report and has been prepared in accordance with the requirements of the Companies Act 2015 and International Financial Reporting Standards (IFRS) as adopted by the International Accounting Standards Board. The financial report is presented in Fiji dollars, which is the Company’s functional currency, rounded to the nearest dollar and has been prepared on the basis of historical costs except for equity securities that are measured at fair value.

Changes in accounting policies

The Company and the Group has consistently applied the accounting policies to all periods presented in these consolidated financial statements.

- ii. **Re-issued Financial Statements**

These financial statements have been re-issued by the Company. The original financial statements were issued on 28 August 2020. Subsequent to issuance of the original financial statements, the Board had undertaken internal investigations which identified certain accounting adjustments relating to financial years 2020, 2019, and the earlier years. The adjustments made to these financial statements impact on results that were originally reported for financial years 30 June 2020 and 2019, whilst for adjustments prior to this period have been adjusted to the Retained Earnings balance brought forward as at 1 July 2018. Details of these adjustments are provided in Note 27.

- iii. **Going concern and impact of COVID-19**

The spread of novel coronavirus (COVID-19) was declared a public health emergency by the World Health Organisation on 31 January 2020 and upgraded to a global pandemic on 11 March 2020. The rapid rise of the virus has seen an unprecedented global response by Governments, regulators and industry sectors. The Fijian Government enacted its emergency plan which has seen the closure of Fijian borders from 19th March 2020.

There is considerable uncertainty around the possible duration of and the resulting depth of impact that may come from the disruption caused due to the fluidity of the situation. There is expected negative impact on revenues, operating results and liquidity for the Group and the Company’s 2020/2021 year. The Company incurred operating losses after income tax of \$2.7m in the current year and has accumulated losses of \$1.2m as at 30 June 2020. It however does not have any working capital deficiency and any external borrowings except for lease liabilities arising from the implementation of IFRS 16: Leases. As at 30 June 2020, the Company had cash and cash equivalents of \$0.83m, The Company also has term deposits with maturity of 12 months of \$4.1m in place with a financial institution and an on-call deposit of \$1.75m with a related party. These would be sufficient to meet the Company’s expenses and liabilities for the next 12 months from the date of signing of the financial statements.

Fiji Television Limited and Subsidiary
Re-issued Annual Report
Notes to and forming part of the financial statements
For the year ended 30 June 2020
Statement of significant accounting policies (continued)

Basis of accounting (continued)

iii. Going concern and impact of COVID-19 (continued)

The Directors acknowledge that uncertainty remains over commencement of tourism related activities being the major contributor to GDP and the trickle-down effects on other sectors. However, as described above, Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and have hence continued to prepare the financial statements on a going concern basis.

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its controlled subsidiary (“the Group”).

Subsidiaries

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. Intra-group balances and transactions, and any unrealised gains and losses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Accounting policies of the subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Investments in subsidiaries are measured at cost, less impairment.

(c) Receivables

Trade receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost. A provision for impairment of receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The carrying amount of the asset is reduced through the use of a provision account, and the amount of the loss is recognised in profit or loss within other operating expenses. When a trade receivable is considered to be uncollectible, it is written off against the provision account for trade receivables. Subsequent recoveries of amounts previously written off are credited to other operating income in profit and loss. Bad debts are written off during the period in which they are identified.

(d) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs have been assigned to inventory quantities on hand at balance date on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

(e) Property, plant & equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment costs. The assets’ residual values and estimated lives are reviewed and adjusted if appropriate, at each reporting date.

1. Statement of significant accounting policies (continued)

e) Property, plant & equipment (continued)

Fiji Television Limited and Subsidiary
Re-issued Annual Report
Notes to and forming part of the financial statements
For the year ended 30 June 2020

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal of property, plant and equipment are recognised in profit or loss.

i.) Depreciation and amortisation

Items of property, plant & equipment are depreciated at rates based on their estimated useful lives on a straight line basis. The rates in use currently are as follows:

Buildings	2.5%
Computer & office equipment	up to 33%
Furniture and fittings	up to 20%
TV equipment	20%
Plant and machinery	5%
Site development & transmission equipment	up to 20%
Vehicles	up to 20%

ii.) Subsequent expenditure

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major improvements, renovations and overhaul expenditure, is capitalised. Other subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure is recognised in profit or loss as an expense as incurred.

(f) Investment property

Property held for long-term rental yields is classified as investment property. Investment property comprises land and building.

Land held under long-term leases is classified and accounted for by the company and the group as investment property when the rest of the definition of investment property is met.

Investment property is measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day to day servicing of an investment property. Subsequent to initial recognition, investment property is stated at fair value, based on periodic valuations by external independent valuers which reflect market conditions at the reporting date. Gains or losses arising from changes in the fair value of investment property are included in the statement of profit or loss and other comprehensive income in the period in which they arise.

The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions.

Investment property is derecognised either when they have been disposed of, or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss and other comprehensive income in the year of retirement or disposal.

(g) Cash and cash equivalents

For the purposes of the statement of cash flow, cash includes cash on hand and at bank, call deposits with maturities of three months or less from the acquisition date, net of bank overdrafts.

1. Statement of significant accounting policies (continued)

(h) Other assets

Fiji Television Limited and Subsidiary
Re-issued Annual Report
Notes to and forming part of the financial statements
For the year ended 30 June 2020

Other receivables are measured at amortised cost less impairment. The collectability of other receivables is assessed at balance date and impairment losses are recognised in profit or loss.

(i) Trade and other creditors

These amounts represent liabilities for goods and services provided to the Company and the Group prior to the end of the financial year and which are unpaid. They are measured at amortised cost.

(j) Intangible assets

Software

Acquired intangible assets are initially recorded at their cost at the date of acquisition being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition. Intangible assets with finite useful lives are amortised on a straight line basis over the estimated useful lives of the assets being the period in which the related benefits are expected to be realised (shorter of legal duration and expected economic life). Amortisation rates and residual values are reviewed annually and any changes are accounted for prospectively. The annual amortisation rate used for intangibles is 20%.

(k) Financial instruments

i.) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company and the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at Fair Value through Profit or Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii.) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Company and the Group changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and,
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and,

1. Statement of significant accounting policies (continued)

(k) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

Fiji Television Limited and Subsidiary
Re-issued Annual Report
Notes to and forming part of the financial statements
For the year ended 30 June 2020

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company and the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company and the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company and the Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company and the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and,
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company and the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company and the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company and the Group considers:

1. **Statement of significant accounting policies (continued)**
- (k) **Financial instruments (continued)**
- ii) **Classification and subsequent measurement (continued)**

Fiji Television Limited and Subsidiary
Re-issued Annual Report
Notes to and forming part of the financial statements
For the year ended 30 June 2020

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (continued)

- prepayment and extension features; and,
- terms that limit the Company and the Group's claim to cash flows from specified assets (e.g. nonrecourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

**Financial assets at
amortised cost**

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

**Equity investments
at FVOCI**

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss. The Company's and the Group's equity investments relates to investments in listed securities.

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1. Statement of significant accounting policies (continued)

(k) Financial instruments (continued)

iii.) Derecognition
Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial 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 in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

iv.) Modifications of financial assets

If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised (see (1(u)(iii))) and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower (see (1(u)(ii))), then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income (see (1(u))).

v.) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

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1. Statement of significant accounting policies (continued)

(l) Employee entitlements

Liabilities for wages, salaries and annual leave are recognised and measured as the undiscounted amount unpaid as at the reporting date at current pay rates in respect of present obligations for employee services provided up to that date.

A provision is recognised for the amount expected to be paid under a bonus plan in respect of past services provided by employees, there is a legal or constructive obligation to pay this amount, and the obligation can be measured reliably.

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

(m) Foreign currency

(i) Foreign currency transactions and balances

Transactions denominated in a foreign currency are translated to Fiji dollars at the exchange rate ruling at the date of the transaction.

Foreign currency assets and liabilities are translated at the rates of exchange ruling at balance date. Exchange gains and losses arising from the translation of foreign currency assets and liabilities are recognised in profit or loss.

(ii) Foreign Operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to the functional currency at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Fiji dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve (translation reserve) in equity. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to non-controlling interests.

When a foreign operation is disposed off such that control, significant influence, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

(n) Income tax

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

Current tax is the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable in respect of prior years.

Income tax assets and liabilities for the current year are measured at the amounts expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amounts are those that are enacted or is substantively enacted by the reporting date.

Deferred tax is recognised in respect of temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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1. Statement of significant accounting policies (continued)

(n) Income tax (continued)

The carrying amounts of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable income will allow the deferred tax asset to be recovered.

(o) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control over a product or service to a customer.

Products and services	Nature, timing of satisfaction of performance obligations and significant payment terms
Outright sale of communication equipment	<p>The Company supplies communication equipment to customers.</p> <p>The equipment's to be supplied together with the quantity, prices and payment terms are governed by a contract and are not subject to change during the duration of the contract.</p> <p>The Company delivers the equipment's to the customer as and when they arrive. The contract states the specific price for each equipment ordered and there is a breakdown of the amount for each equipment.</p> <p>Revenue is recognized as and when the equipment's get delivered to the customer.</p>
Advertising	<p>Advertising is based on the purchase orders received from the customers. Advertising slots have various prices based on the length and timing of the advertisement. The advertising schedule is agreed with the customer and entered into the BTS system. The invoice is raised at month end and only includes the revenue for the advertisements that were aired during that particular month.</p>
Sponsorship	<p>Sponsorship is based on purchase orders received from the customers. The value of the purchase order is divided by the number of sponsored program episodes to determine the amount of revenue per episode. Invoice is raised at month end and only includes the revenue for the number of sponsored episodes that were aired during that particular month.</p>

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1. Statement of significant accounting policies (continued)

(p) Programming

Television program rights are recognised as prepayments from commencement of the rights period and are amortised in accordance with the terms of the contracts, such as the number of times the company is entitled to air programs within an applicable term.

Programs produced using the Company's own facilities are included in prepayments and are expensed in full on the first telecast.

Program rights are expensed immediately once the Company and Group's right to telecast expires.

(q) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company and the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company and the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company and the Group has the right to direct the use of the asset. The Company and the Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company and the Group has the right to direct the use of the asset if either:
 - the Company and the Group has the right to operate the asset; or
 - the Company and the Group designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company and the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee,

i.) As a lessee

The Company and the Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term

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1. Statement of significant accounting policies (continued)

(q) Leases (continued)

i.) As a lessee (continued)

The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Company and the Group's incremental borrowing rate. The Company and the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company and the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Company and the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company and the Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'lease liabilities' in the statement of financial position.

Short-term leases and leases of low-value assets

The Company and the Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company and the Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

ii.) As a lessor

When the Company and the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company and the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company and the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company and the Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

(r) Dividends

Dividends declared by the directors on or before the end of the financial year are recorded as a provision in the Company and Group's financial statements.

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1. Statement of significant accounting policies (continued)

(r) Dividends (continued)

Dividends paid by the holding company are subject to the provisions of the Fiji Income Tax Act 2015.

(s) Earnings per share

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

(t) Finance income and finance costs

Finance income comprises interest in funds invested. Interest income is recognised as it accrues in profit and loss, using the effective interest method.

Finance costs comprise of:

- interest expense on borrowings,
- fair value losses on financial assets at fair value through profit or loss,
- impairment losses recognised on financial assets (other than trade receivables)
- interest expense on lease liabilities.

Interest expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the amortised cost of the financial liability.

In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis as depending on whether foreign currency movements are in a net gain or net loss position. Both finance income and foreign currency gains are classified as part of other income.

(u) Impairment of assets

Financial instruments

The Company and the Group recognises loss allowances for ECLs on:

- financial assets measured at amortised cost; and,
- debt investments measured at FVOCI.

The Company and the Group measures loss allowances at an amount equal to lifetime ECL, except for the following, which are measured as 12 month ECL:

- debt securities that are determined to have low credit risk at the reporting date; and,
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

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1. Statement of significant accounting policies (continued)

(u) Impairment of assets (continued)

Financial instruments (continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company and the Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company and the Group in full, without recourse by the Company and the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Company considers this to be Baa3 or higher per rating agency Moody's or BBB- or higher per rating agency Standards & Poor's.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company and the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company and the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

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1. Statement of significant accounting policies (continued)

(u) Impairment of assets (continued)

Financial instruments (continued)

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company and the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company and the Group's procedures for recovery of amounts due.

(v) Accounting estimates and assumptions

The preparation of the financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements including the following notes:

Note 10 – Provision for impairment of trade receivables (also see policy Note 1 (u))

Note 14 – Determining whether an arrangement contains a lease.

Note 15 – Contract costs relate to subscriber equipment that is rented to subscribers under a subscription agreement. These costs are amortised over the estimated customer life. This is currently estimated to be three years, however this estimate will be reassessed at each reporting date based on actual disconnection trends.

(w) Contract liabilities

Contract liabilities represents the amounts that the Group and the Company have received in advance from customers for which the associated goods or services have not been provided to the customer as at year end. The goods and services to be supplied together with the quantity, prices and payment terms are governed by a contract and are not subject to change during the duration of the contract.

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1. Statement of significant accounting policies (continued)

(x) Comparative figures

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

2. Financial risk management

(a) Financial risk factors

The Company and Group's activities expose them to a variety of financial risks: market risk (including currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Company and the Group'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 Company and the Group. Management and finance executives identify and evaluate financial risks in close co-operation with the Group's operating units. The Board provides direction for overall risk management covering specific areas, such as mitigating foreign exchange, interest rate, and

i.) Market risk

i.) Foreign exchange risk

Foreign exchange risk arises from recognised assets and liabilities that are denominated in a foreign currency. The Group operates in Fiji (Fiji dollar) and Papua New Guinea (PGK) and is exposed to foreign exchange risk on sales and purchases that are denominated in a foreign currency, primarily purchases from principal suppliers based predominantly in the United States of America (US dollar), Australia (Australian dollar) and New Zealand (New Zealand dollar). As a measure, prompt settlement of liabilities is exercised by management to minimise the exposure to foreign exchange fluctuations.

As an additional measure, the Group negotiates competitive rates with its bankers to minimise losses and maximise gains when foreign currency receipts and payments become due.

US dollar exposure is mitigated as sales to Pacific Islands countries are denominated in US dollars.

Sensitivity analysis

A strengthening (weakening) of the Fiji dollar at 30 June, as indicated below, against the foreign currencies, would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2019.

	Strengthening Profit or loss	Weakening Profit or loss
<i>Effect in FJD</i>		
30 June 2020 - 10 percent movement		
USD	136,033	(136,033)
GBP	14,921	(14,921)
AUD	2,312	(2,312)

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2. Financial risk management (continued)

(a) Financial risk factors (continued)

i.) Market risk (continued)

(i) Foreign exchange risk

	Strengthening Profit or loss	Weakening Profit or loss
<i>Effect in FJD</i>		
30 June 2019 - 10 percent movement		
USD	157,718	(157,718)
NZD	44,563	(44,563)
AUD	124,111	(124,111)

ii.) Interest rate risk

The Company has interest bearing liability facilities which consists of bank overdraft. The bank overdraft facility attracts a variable interest rate of 4.65% (2019: 4.40%). The Company and Group have exposure to interest rate risk on cash deposits, however, this is not considered to be material to the Company and Group.

ii.) Credit risk

Credit risk is the risk of financial loss to the Company and the Group if a customer or a counter party to a financial instrument fails to meet its contractual obligations and arises principally from receivables from customers, cash and call deposits.

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

	Consolidated		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
Cash and cash equivalents	829,803	945,026	829,803	930,871
Trade and other receivables*	798,848	1,248,725	784,403	1,248,725
	<u>1,628,651</u>	<u>2,193,751</u>	<u>1,614,206</u>	<u>2,179,596</u>

The Company and the Group has no significant concentrations of credit risk. The Company and the Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. The Company and the Group does not have any policies that limit the amount of credit exposure to any one customer or group of customers.

*2019 restated, refer to Note 10

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2. Financial risk management (continued)

(a) Financial risk factors (continued)

ii.) Credit risk (continued)

Expected credit loss assessment for trade and other receivables as at 30 June 2020

The Company and the Group have considered the impact of COVID-19 and its exposure to credit risk. Management has individually assessed the provision for impairment on trade and other receivables taking into consideration the ability of customers to pay and its recoverability and the increase in uncertainty in relation to current economic conditions. As of 30 June 2020, trade receivables of \$4,471,573 (2019: \$3,992,996) were impaired by \$3,954,668 (2019: 2,933,587).

	Consolidated		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
Trade receivables*	4,471,573	3,992,996	4,471,573	3,992,996
Provision for impairment*	(3,954,668)	(2,933,587)	(3,954,668)	(2,933,587)
Trade receivables – net	<u>516,905</u>	<u>1,059,409</u>	<u>516,905</u>	<u>1,059,409</u>

Cash and cash equivalents

The Company and the Group held cash of \$829,803 and \$829,803 respectively at 30 June 2020 (2019: \$930,871 and \$945,026 respectively). Cash is held with banks, which are rated B to AA, based on S&P ratings.

Impairment on cash has been measured on the 12 month expected loss basis and reflects the short maturities of the exposures. The Company and the Group considers that its cash have low credit risk based on the external credit ratings of the counterparties.

The Company uses a similar approach for assessment of ECLs for cash to those used for debt securities.

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2. Statement of significant accounting policies (continued)

(a) Financial risk factors (continued)

ii.) Credit risk (continued)

Debt investment securities

The Company and the Group held debt investment securities of \$5,850,000 at 30 June 2020 (2019: \$5,752,108). Debt investment securities are held with banks and credit institutions. Debt investment securities are held with banks which is rated AA-, based on S&P ratings. In relation to debt investment securities held with credit institutions, the Company and the Group monitors changes in credit risk by reviewing available press and regulatory information.

Impairment on debt investment securities held with banks and credit institutions has been measured on the 12 month expected loss basis and reflects the short maturities of the exposures. The Company and the Group considers that its debt investment securities held with banks and credit institutions have low credit risk based on the external credit ratings of the counterparties (in relation to banks) and available press and regulatory information (in relation to credit institutions).

iii.) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group manages liquidity risk by maintaining sufficient bank balances to fund its operations and the availability of funding through committed credit facilities.

The Company also maintains a bank overdraft facility of \$1m (2019: \$1m) with ANZ Banking Group at a rate of 4.65% (2019: 4.40%) to meet its liquidity needs in the short term.

Consolidated	Carrying amount	Contractual amount	6 months or less	6 - 12 months	More than 1 year
	\$	\$	\$	\$	\$
30 June 2020					
<u>Financial liabilities</u>					
Trade and other payables	2,389,481	2,389,481	2,389,481	-	-
Lease liabilities	1,339,595	1,411,281	156,081	147,600	1,107,600
Employee entitlements	89,541	89,541	89,541	-	-
	<u>3,818,617</u>	<u>3,890,303</u>	<u>2,635,103</u>	<u>147,600</u>	<u>1,107,600</u>

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2. Statement of significant accounting policies (continued)

(a) Financial risk factors (continued)

Consolidated	Carrying amount	Contractual amount	6 months or less	6 - 12 months	More than 1 year
	\$	\$	\$	\$	\$
30 June 2019					
<u>Financial liabilities</u>					
Trade and other payables*	1,746,479	1,746,479	1,746,479	-	-
Lease liabilities	1,402,769	1,590,843	130,281	130,281	1,330,281
Employee entitlements	155,564	155,564	155,564	-	-
	<u>3,304,812</u>	<u>3,492,886</u>	<u>2,032,324</u>	<u>130,281</u>	<u>1,330,281</u>

Company	Carrying amount	Contractual amount	6 months or less	6 - 12 months	More than 1 year
	\$	\$	\$	\$	\$
30 June 2020					
<u>Financial liabilities</u>					
Trade and other payables	2,389,481	2,389,481	2,389,481	-	-
Lease liabilities	1,339,595	1,411,281	156,081	147,600	1,107,600
Employee entitlements	89,541	89,541	89,541	-	-
	<u>3,818,617</u>	<u>3,890,303</u>	<u>2,635,103</u>	<u>147,600</u>	<u>1,107,600</u>

Company	Carrying amount	Contractual amount	6 months or less	6 - 12 months	More than 1 year
	\$	\$	\$	\$	\$
30 June 2019					
<u>Financial liabilities</u>					
Trade and other payables*	1,746,479	1,746,479	1,746,479	-	-
Lease liabilities	1,402,769	1,590,843	130,281	130,281	1,330,281
Employee entitlements	155,564	155,564	155,564	-	-
	<u>3,304,812</u>	<u>3,492,886</u>	<u>2,032,324</u>	<u>130,281</u>	<u>1,330,281</u>

(b) 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.

The Group does not have any significant borrowings and as such is not exposed to any material capital risk. As a matter of practice, borrowing facilities available to the Group will be utilised only as a last resort.

*2019 restated, refer to Note 18

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3. Operating Segments

The Group has a single operating segment which is free to air commercial television broadcasting services in Fiji. The Group also sells program rights to other pacific countries. The subsidiary Fiji TV (PNG) Ltd did not engage in any commercial operations during the whole of the June 2020 financial year.

<i>External revenue by geographical location of customers</i>		Group	
		2020	2019
Fiji		6,479,868	9,578,704
Other Pacific countries		2,176,292	2,335,043
		<u>8,656,160</u>	<u>11,913,747</u>

	Consolidated		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
4. Revenue				
Revenue from services rendered	8,042,544	9,513,449	8,042,544	9,513,449
Revenue from contracts	679	1,645,284	679	1,645,284
	<u>8,043,223</u>	<u>11,158,733</u>	<u>8,043,223</u>	<u>11,158,733</u>
5(a) Other income				
Gain on disposal of property, plant and equipment	-	32,661	-	32,661
Dividend income –				
Communications Fiji Ltd	40	150	40	150
Rental income	610,845	719,252	610,845	719,252
Doubtful debts recovered	2,052	2,951	2,052	2,951
	<u>612,937</u>	<u>755,014</u>	<u>612,937</u>	<u>755,014</u>
5(b) Financial income				
Interest income	<u>246,285</u>	<u>220,177</u>	<u>246,285</u>	<u>220,177</u>
6. Employee benefits expense				
Staff	1,236,446	1,374,467	1,236,446	1,374,467
Key management personnel	308,854	304,250	308,854	304,250
Bonus incentive reversal	-	(20,530)	-	(20,530)
	<u>1,545,300</u>	<u>1,658,187</u>	<u>1,545,300</u>	<u>1,658,187</u>

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	Consolidated		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
7. Profit before tax				
Profit before tax has been determined after:				
Auditor's remuneration	25,000	25,000	25,000	25,000
Amortisation and depreciation	1,306,588	1,027,847	1,306,588	1,027,847
Net foreign exchange loss	10,419	72,324	10,419	72,324
Directors' fees	50,000	75,833	50,000	75,833
Provision for				
- inventories	(47,391)	-	(47,391)	-
- employee entitlements	(66,023)	101,080	(66,023)	101,080
- doubtful debts*	1,021,081	995,324	1,021,081	995,324
- impairment of investment property	-	35,000	-	35,000
Superannuation	141,177	141,385	141,177	141,385
TPAF	9,370	13,341	9,370	13,341
8. Income tax				
Income tax expense				
Current tax expense	62,131	173,403	62,131	173,403
Deferred tax (benefit)	(26,897)	(36,764)	(26,897)	(36,764)
	<u>35,234</u>	<u>136,639</u>	<u>35,234</u>	<u>136,639</u>
Reconciliation of income tax expense				
(Loss)/profit before tax*	(2,698,881)	148,151	(2,698,858)	148,174
Tax using the Company's prima facie tax rate 10% (2019: 10%)	(269,888)	14,815	(269,885)	14,817
Unrecognised deferred tax assets from tax losses and temporary differences;	299,665	119,046	299,665	119,046
Permanent differences	(1,601)	(4,291)	(1,604)	(4,293)
FNPF employer's contribution	7,058	7,069	7,058	7,069
	<u>35,234</u>	<u>136,639</u>	<u>35,234</u>	<u>136,639</u>
Deferred tax assets				
Trade and other receivables	160,367	142,820	160,367	142,820
Employee benefits	8,954	15,556	8,954	15,556
Investment	7,666	7,666	7,666	7,666
Inventories	1,368	6,107	1,368	6,107
Investment property	3,500	3,500	3,500	3,500
Lease liability	133,960	140,277	133,960	140,277
Right of use asset	(119,033)	(130,998)	(119,033)	(130,998)
Other items	(2,010)	178	(2,010)	178
	<u>194,772</u>	<u>185,106</u>	<u>194,772</u>	<u>185,106</u>
Deferred tax liabilities				
Property, plant and equipment	(153,139)	(170,819)	(153,139)	(170,819)
Net deferred tax asset/(liability)	<u>41,633</u>	<u>14,287</u>	<u>41,633</u>	<u>14,287</u>

*2019 restated, refer to note 27

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8. Income tax (continued)

(b) Deferred tax assets (continued)

	30 June 2019	Recognised in profit or loss	30 June 2020
Trade and other receivables	142,820	17,547	160,367
Employee benefits	15,556	(6,602)	8,954
Investment	7,666	-	7,666
Other items	178	(2,188)	(2,010)
Investment property	3,500	-	3,500
Property, plant and equipment	(170,819)	17,680	(153,139)
Inventories	6,107	(4,739)	1,368
Lease liability	140,277	(6,317)	133,960
Right of use asset	(130,998)	11,965	(119,033)
	<u>14,287</u>	<u>27,346</u>	<u>41,633</u>

The Company and the Group did not recognise deferred tax assets from tax loss of \$152,524 (2019: \$Nil) and temporary differences of \$235,099 (2019: \$150,539) because it is not probable that future taxable profit will be available for the Company and the Group to utilise the benefits.

	Consolidated		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
Current tax liability/(asset)				
Balance at 1 July	113,805	17,521	16,812	(70,473)
Current tax expense	62,580	173,403	62,580	173,403
Net transfers from VAT and penalties	(7,924)	(86,118)	(7,924)	(86,118)
Effect of change in exchange rate	2,152	8,999	-	-
Balance at 30 June	<u>170,613</u>	<u>113,805</u>	<u>71,468</u>	<u>16,812</u>

9. Cash and cash equivalents

Cash and cash equivalents for cash flow purpose is represented by:

Cash at bank	<u>829,803</u>	<u>945,026</u>	<u>829,803</u>	<u>930,871</u>
Cash and cash equivalents in Statement of Cash Flows	<u>829,803</u>	<u>945,026</u>	<u>829,803</u>	<u>930,871</u>

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	Consolidated		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
10. Trade and other receivables				
Trade receivables*	4,471,573	3,992,996	4,471,573	3,992,996
Provision for impairment*	(3,954,668)	(2,933,587)	(3,954,668)	(2,933,587)
Trade receivables – net	516,905	1,059,409	516,905	1,059,409
Receivable from related parties	79,373	15,119	79,373	15,119
Prepayments	367,690	1,727,653	367,690	1,727,653
Other receivables	202,570	174,198	188,125	174,198
	<u>1,166,538</u>	<u>2,976,379</u>	<u>1,152,093</u>	<u>2,976,379</u>
<i>Provision for impairment*</i>				
Balance as at 1 July	2,933,587	1,938,263	2,933,587	1,938,263
Re-measurement of loss allowance as per IFRS 9	1,021,081	995,324	1,021,081	995,324
Balance at the end of the year	<u>3,954,668</u>	<u>2,933,587</u>	<u>3,954,668</u>	<u>2,933,587</u>

	Consolidated		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
11. Inventories				
Merchandise	35,372	305,154	35,372	305,154
Provision for obsolescence	(13,677)	(61,068)	(13,677)	(61,068)
	<u>21,695</u>	<u>244,086</u>	<u>21,695</u>	<u>244,086</u>
<i>Provision for obsolescence</i>				
Balance at the beginning of the year	61,068	-	61,068	-
(Decrease) /Increase in provision	(47,391)	61,068	(47,391)	61,068
Balance at the end of the year	<u>13,677</u>	<u>61,068</u>	<u>13,677</u>	<u>61,068</u>

12. Debt securities

	Consolidated and Company	
	2020	2019
	\$	\$
Short term deposits – related party	4,100,000	2,100,000
Short term deposits – nonrelated party	-	2,902,108
Advance to related party	1,750,000	750,000
	<u>5,850,000</u>	<u>5,752,108</u>

The above deposits have terms of 12 months or less and are at market interest rates.

* 2019 restated, refer to Note 27

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13. Property, plant and equipment

Group	Buildings	Site Development	Transmission Equipment	TV Equipment	Plant & Machinery	Office Equipment	Computer Equipment	Vehicles	Furniture and Fittings	Leasehold Improvements	Work-in-progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Year ended 30 June 2020												
Opening net book amount	54,089	167	2,520,371	91,433	-	380,300	585,552	303,416	65,856	1,127,633	27,122	5,155,939
Additions	-	-	1,638	-	-	-	31,732	-	8,565	-	-	41,935
Transfer to / (from) WIP	-	-	-	-	-	-	-	-	-	-	(27,122)	(27,122)
Depreciation charge	(1,585)	(167)	(503,253)	(38,854)	-	(151,903)	(229,510)	(85,616)	(22,916)	(29,594)	-	(1,063,398)
Closing net book amount	52,504	-	2,018,756	52,579	-	228,397	387,774	217,800	51,505	1,098,039	-	4,107,354
At 30 June 2020												
Cost	63,386	1,330,622	15,286,825	7,713,559	320,996	2,324,208	3,881,460	696,748	554,159	1,183,763	-	33,355,726
Accumulated impairment	-	-	(946,994)	-	-	-	-	-	-	-	-	(946,994)
Accumulated depreciation	(10,882)	(1,330,622)	(12,321,075)	(7,660,980)	(320,996)	(2,095,811)	(3,493,686)	(478,948)	(502,654)	(85,724)	-	(28,301,378)
Net book amount	52,504	-	2,018,756	52,579	-	228,397	387,774	217,800	51,505	1,098,039	-	4,107,354

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13. Property, plant and equipment (continued)

Group	Buildings	Site Development	Transmission Equipment	TV Equipment	Plant & Machinery	Office Equipment	Computer Equipment	Vehicles	Furniture and Fittings	Leasehold Improvements	Work-in-progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Year ended 30 June 2019												
Opening net book amount	55,674	368	2,835,929	-	-	440,992	811,503	118,896	92,638	1,157,227	-	5,513,227
Additions	-	-	30,027	103,355	-	90,688	23,389	199,817	-	-	27,122	474,398
Transfer to / (from) WIP	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge	(1,585)	(201)	(345,585)	(11,922)	-	(151,380)	(249,340)	(15,297)	(26,782)	(29,594)	-	(831,686)
Closing net book amount	54,089	167	2,520,371	91,433	-	380,300	585,552	303,416	65,856	1,127,633	27,122	5,155,939
At 30 June 2019												
Cost	63,386	1,330,622	15,285,187	7,713,559	320,996	2,324,208	3,849,728	696,748	545,594	1,183,763	27,122	33,340,913
Accumulated impairment	-	-	(946,994)	-	-	-	-	-	-	-	-	(946,994)
Accumulated depreciation	(9,297)	(1,330,455)	(11,817,822)	(7,622,126)	(320,996)	(1,943,908)	(3,264,176)	(393,332)	(479,738)	(56,130)	-	(27,237,980)
Net book amount	54,089	167	2,520,371	91,433	-	380,300	585,552	303,416	65,856	1,127,633	27,122	5,155,939

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13. Property, plant and equipment (continued)

Company	Buildings	Site Development	Transmission Equipment	TV Equipment	Plant & Machinery	Office Equipment	Computer Equipment	Vehicles	Furniture and Fittings	Leasehold Improvements	Work-in-progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Year ended 30 June 2020												
Opening net book amount	54,089	167	2,520,371	91,433	-	380,300	585,552	303,416	65,856	1,127,633	27,122	5,155,939
Additions	-	-	1,638	-	-	-	31,732	-	8,565	-	-	41,935
Transfer to / (from) WIP	-	-	-	-	-	-	-	-	-	-	(27,122)	(27,122)
Depreciation charge	(1,585)	(167)	(503,253)	(38,854)	-	(151,903)	(229,510)	(85,616)	(22,916)	(29,594)	-	(1,063,398)
Closing net book amount	52,504	-	2,018,756	52,579	-	228,397	387,774	217,800	51,505	1,098,039	-	4,107,354
At 30 June 2020												
Cost	63,386	1,330,622	15,286,825	7,713,559	320,996	2,324,208	3,881,460	696,748	554,159	1,183,763	-	33,355,726
Accumulated impairment	-	-	(946,994)	-	-	-	-	-	-	-	-	(946,994)
Accumulated depreciation	(10,882)	(1,330,622)	(12,321,075)	(7,660,980)	(320,996)	(2,095,811)	(3,493,686)	(478,948)	(502,654)	(85,724)	-	(28,301,378)
Net book amount	52,504	-	2,018,756	52,579	-	228,397	387,774	217,800	51,505	1,098,039	-	4,107,354

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13. Property, plant and equipment (continued)

Company	Buildings	Site Development	Transmission Equipment	TV Equipment	Plant & Machinery	Office Equipment	Computer Equipment	Vehicles	Furniture and Fittings	Leasehold Improvements	Work-in-progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Year ended 30 June 2019												
Opening net book amount	55,674	368	2,835,929	-	-	440,992	811,503	118,896	92,638	1,157,227	-	5,513,227
Additions	-	-	30,027	103,355	-	90,688	23,389	199,817	-	-	27,122	474,398
Transfer to / (from) WIP	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge	(1,585)	(201)	(345,585)	(11,922)	-	(151,380)	(249,340)	(15,297)	(26,782)	(29,594)	-	(831,686)
Closing net book amount	54,089	167	2,520,371	91,433	-	380,300	585,552	303,416	65,856	1,127,633	27,122	5,155,939
At 30 June 2019												
Cost	63,386	1,330,622	15,285,187	7,713,559	320,996	2,324,208	3,849,728	696,748	545,594	1,183,763	27,122	33,340,913
Accumulated impairment	-	-	(946,994)	-	-	-	-	-	-	-	-	(946,994)
Accumulated depreciation	(9,297)	(1,330,455)	(11,817,822)	(7,622,126)	(320,996)	(1,943,908)	(3,264,176)	(393,332)	(479,738)	(56,130)	-	(27,237,980)
Net book amount	54,089	167	2,520,371	91,433	-	380,300	585,552	303,416	65,856	1,127,633	27,122	5,155,939

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14. Leases

(a) As a lessee

Property, plant and equipment' comprise owned and leased assets that do not meet the definition of investment property.

	Consolidated and Company	
	2020	2019
	\$	\$
Property, plant and equipment owned	4,107,354	5,155,939
Right-of-use assets, except for investment property	1,190,328	1,309,984
	<u>5,297,682</u>	<u>6,465,923</u>

The Group leases assets including buildings and transmitter sites. Information about leases for which the Group is a lessee is presented below:

Right-of-use-assets

	Right to use of asset - Property / Building	Right to use of asset - Transmitter equipment	Total
	\$	\$	\$
Balance as at 1 July 2019	1,283,439	26,545	1,309,984
Additions during the year	116,194	-	116,194
Depreciation charge for the year (<u>218,154)</u>	<u>17,696)</u>	<u>(235,850)</u>
Balance as at 30 June 2020	<u>1,181,479</u>	<u>8,849</u>	<u>1,190,328</u>

Lease liabilities

Maturity analysis – contractual undiscounted cash flows

	2020	2019
	\$	\$
Less than one year	304,791	260,562
One to five years	994,416	990,843
More than five years	603,636	840,000
Total undiscounted lease liabilities at 30 June 2020	<u>1,902,843</u>	<u>2,091,405</u>

Lease liabilities included in the statement of financial position at 30 June:

Current	183,514	142,428
Non-current	1,156,081	1,260,341
	<u>1,339,595</u>	<u>1,402,769</u>

Amounts recognised in profit or loss

Interest on lease liabilities	125,048	118,134
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Amounts recognised in the statement of cash flows

Total cash outflow for leases	229,308	260,562
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As a lessor

i.) Operating lease

As at the reporting date, there were no lease contracts in place and the investment property was vacant.

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15. Intangible assets	Consolidated and Company	
	2020	2019
	\$	\$
<i>Software</i>		
<i>Cost</i>		
Balance at 1 July	64,800	64,800
Acquisitions	-	-
Balance at 30 June	64,800	64,800
<i>Accumulated amortisation</i>		
Balance at 1 July	39,112	31,772
Amortisation charge for the year	7,340	7,340
Balance at 30 June	46,452	39,112
<i>Carrying amount</i>		
At 1 July	25,688	33,028
At 30 June	18,348	25,688

16. Investment Property

Reconciliation of the carrying value of the investment property:

Balance	280,000	280,000
Additions during the year	143,907	-
Provision for impairment	(35,000)	(35,000)
Closing balance	388,907	245,000

17. Equity securities	Consolidated		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
Listed securities				
Reconciliation of listed securities				
Investment at fair value – 1 July	2,900	2,410	2,900	2,410
Movement in fair value recorded in other comprehensive income	210	490	210	490
Investment at fair value – 30 June	3,110	2,900	3,110	2,900

18. Trade and other payables	Consolidated		Company	
	2020	2019*	2020	2019*
	\$	\$	\$	\$
Trade and other payables*	2,389,481	1,746,479	2,389,481	1,746,479
Income received in advance	71,821	71,797	71,821	71,797
Other creditors and accruals	327,111	764,097	320,768	757,891
	2,788,413	2,582,373	2,782,070	2,576,167

*2019 restated, refer to Note 27

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For the year ended 30 June 2020

		Consolidated and Company	
		2020	2019
		\$	\$
19.	Contract liabilities		
	Contract liabilities with the Fiji Police Force	63,550	-
	Revenue recognized that was included in the contract liability balance at the beginning of the period	-	1,645,284
	Increases due to cash received excluding amounts recognized as revenue during the period	679	-
		Consolidated	Company
		2020	2019
		\$	\$
20.	Employee entitlements		
	Current		
	Provision for annual leave	89,541	91,363
	Provision for bonus	-	64,201
		89,541	155,564
21.	Share capital		
	Issued and paid up capital		
	10,300,000 ordinary shares	10,300,000	10,300,000

22. Reserves

Foreign currency translation reserve

This comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Fair value reserve

This comprises the cumulative net change in the fair value of financial assets until the investments are derecognised or impaired.

Revaluation reserve

The revaluation reserve represents the difference between the fair value of investment property at the time of its reclassification from property, plant and equipment with its initial cost at recognition.

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	Consolidated and Company	
	2020	2019
	\$	\$
23. Earnings per share		
(Loss)/Profit for the year*	(2,734,116)	11,512
Weighted average number of ordinary shares on issue	10,300,000	10,300,000
Diluted earnings per share*	<u>\$(0.27)</u>	<u>\$0.00</u>

24. Dividends

During the financial year, the Company paid first interim dividend of \$515,000 in January 2020

No capital expenditure commitments approved and contracted as at 30 June 2020 (2019: \$Nil).

25. Commitment and contingent liabilities

Company

Indemnity guarantees were \$Nil (2019: \$Nil) given in the ordinary course of business.

Subsidiary

As at balance date, the directors are not aware of any pending or threatened legal actions made against the subsidiary.

Other than the contingent liabilities disclosed above, the directors are not aware of any further exposures to the Company or Group which have not been provided for in these financial statements.

26. Related party disclosures

(a) The ultimate controlling party of the Group is Fijian Holdings Limited, incorporated in Fiji.

(b) **Directors**

The following were directors of the holding company at any time during the year.

Deepak Rathod	Chairman
Nouzab Fareed	Deputy Chairman (resigned 7 th January 2020)
Ajai Punja	
Abilash Ram	(appointed 11 th March 2020)
Gurminder Singh	

*2019 restated, refer to Note 27

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26. Related party disclosures - continued

(c) Key management personnel

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

During the year the following persons were the executives identified as key management personnel, with the greatest authority and responsibility for the planning, directing and controlling the activities of the holding company.

2020

Name	Current Title
Karen Lobendahn	Chief Executive Officer
Upendra Gounder	Manager Finance & Administration
Takena Alexander	Manager Human Resources & Company Secretary
Lisa Lave	Manager Sales, In-House Productions, Online and Live Stream
Robert Van Santen	Manager Engineer, IT and Pactok
Rakesh Chand	Manager Content

The aggregate compensation of key management personnel is disclosed in Note 6.

(d) Directors' fees and emoluments

Amounts paid to directors during the year are disclosed in Note 7. No other emoluments were paid or are due to the directors at year end.

(e) Related party transactions

The company during the year had the following transactions with related parties:

i.) Sale of goods and provision of services

	2020	2019
	\$	\$
Pacific Cement Pte Limited	-	1,635
FHL Properties Pte Limited	-	-
FHL Fund Management Pte Limited	-	4,251
RB Patel Group Limited	136,072	24,329
Merchant Finance Limited	25,000	14,508
Pernix (Fiji) Limited	5,158	-
New World Supermarket	10,500	-
South Seas Cruises	3,601	-
Fijian Holdings Unit Trust	58,388	-
	<u>238,719</u>	<u>44,723</u>

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26. Related party disclosures – continued

(e) Related party transactions - continued

ii.) Transactions other than sale of goods and provision of services:

	2020	2019
	\$	\$
FHL Properties Pte Limited	-	1,422
Pernix Pte Limited	-	465
Fijian Holdings Limited	5,635	11,118
Basic Industries Limited	2,025	-
FHL Media Pte Limited	318,529	516,017
	<u>326,189</u>	<u>529,022</u>

Transactions with FHL Media Pte Limited represents the dividend declared during the year.

iii.) Receivable from related parties

	2020	2019
	\$	\$
RB Patel Group Limited	59,775	11,849
New World Pte Limited	-	3,270
Merchant Finance Limited	450	-
Fijian Holdings Unit Trust	19,148	-
	<u>79,373</u>	<u>15,119</u>

iv.) Payable to related parties

Fijian Holdings Limited	-	11,118
FHL Media Pte Limited	2,969	-
	<u>2,969</u>	<u>11,118</u>

v.) Advances to related parties

RB Patel Group Limited	1,750,000	750,000
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Refer Note 12 for terms and interest rate.

**Fiji Television Limited and Subsidiary
Re-issued Annual Report**

27. Restatement and Re-issuance of Financial Statements

Please refer to Note 1(a) for a background on the restatement and re-issuance of the financial statements. The following provides details on adjustments made to previously reported results and financial positions for financial years 30 June 2020, 2019 and financial position as at 1 July 2018 (in relation to adjustments which relate to years earlier to 2019). The adjustments primarily related to the following:

- Increases in Provision for Doubtful Debts to provide for potential uncollectable and overstated balances in the trade receivables.
- Decreases in Other Receivables which relates to write-off of refundable deposits and accrued income, both not considered recoverable.
- Decreases in Prepayment balances to write-off balances recorded and carried forward on programming rights not considered recoverable.
- Increases in Trade and other payables to record previously unrecorded liabilities.

The following shows adjustments that have been processed against the relevant financial statement line items.

(a) Restated balances – 1 July 2018

	Consolidated		Company	
	Previously Reported 1 July 2018	Restated 1 July 2018	Previously Reported 1 July 2018	Restated 1 July 2018
	\$	\$	\$	\$
<i>Statements of financial position</i>				
Trade and other receivables	4,445,025	3,571,036	4,444,025	3,571,036
Trade and other payables	2,818,104	3,530,167	2,812,474	3,524,537
Retained earnings	4,736,050	3,149,998	4,444,201	2,858,149
		(1,586,052)	(1,586,052)	
		(873,989)	(873,989)	
		712,063	712,063	

Fiji Television Limited and Subsidiary
Re-issued Annual Report
Notes to and forming part of the financial statements
For the year ended 30 June 2020

27. Restatement and Re-issuance of Financial Statements (continued)

(b) Restated Financial Statements - 30 June 2019

	Consolidated		Company	
	Previously Reported 30 June 2019	Restated 30 June 2019	Previously Reported 30 June 2019	Restated 30 June 2019
	\$	\$	\$	\$
<i>(i) Statements of profit or loss and other comprehensive income</i>				
Programming, satellite delivery, communications merchandise and service	5,848,282	6,132,537	5,848,282	6,132,537
Impairment loss on trade and other receivables	115,747	995,324	115,747	995,324
Other expenses	1,975,117	2,001,736	1,975,117	2,001,736
Operating profit	1,253,567	63,116	1,253,567	63,116
Profit for the year	1,201,963	11,512	1,201,986	11,535
Total comprehensive income for the year	1,194,193	3,742	1,202,476	12,025
Basic earnings per share	\$0.12	\$0.00	-	-
<i>(ii) Statements of financial position</i>				
Trade and other receivables	4,868,938	2,976,379	4,868,938	2,976,379
Trade and other payables	1,698,429	2,582,373	1,692,223	2,576,167
Retained earnings	5,103,713	2,327,210	4,811,887	2,035,384
<i>(iii) Statements of changes in equity</i>				
Retained earnings balance at 1 July 2018	4,736,050	3,149,998	4,444,201	2,858,149
Profit for the year	1,201,963	11,512	1,201,986	11,535
Total comprehensive income for the year	1,194,193	3,742	1,202,476	12,025
Retained earnings balance at 30 June 2019	5,103,713	2,327,210	4,811,887	2,035,384

Fiji Television Limited and Subsidiary
Re-issued Annual Report
Notes to and forming part of the financial statements
For the year ended 30 June 2020

27. Restatement and Re-issuance of Financial Statements (continued)

(c) Re-issued Financial Statements - 30 June 2020

	Consolidated		Company	
	Previously Reported 30 June 2020	Re-issued 30 June 2020	Previously Reported 30 June 2020	Re-issued 30 June 2020
	\$	\$	\$	\$
<i>(i) Statements of profit or loss and other comprehensive income</i>				
Revenue	8,463,369	8,043,223	8,463,369	8,043,223
Programming, satellite delivery, communications merchandise and service	3,624,263	5,255,753	3,624,263	5,255,753
Impairment loss on trade and other receivables	175,472	1,021,081	175,472	1,021,081
Other expenses	2,188,584	2,287,999	2,188,584	2,287,999
Operating (loss) profit	208,177	(2,788,483)	208,177	(2,788,483)
(Loss) Profit for the year	262,544	(2,734,116)	262,567	(2,734,093)
Total comprehensive income for the year	260,778	(2,735,882)	262,777	(2,733,883)
Basic earnings per share	\$0.03	(\$0.27)	-	-
<i>(ii) Statements of financial position</i>				
Trade and other receivables	5,088,502	1,166,538	5,074,057	1,152,093
Trade and other payables	937,214	2,788,413	930,871	2,782,070
Retained earnings (accumulated losses)	4,851,257	(921,906)	4,559,454	(1,213,709)
<i>(iii) Statement of changes in equity</i>				
Retained earnings balances at 1 July 2019	5,103,713	2,327,210	4,811,887	2,035,384
Profit for the year	262,544	(2,734,116)	262,567	(2,734,093)
Total comprehensive income/ (loss) for the year	260,778	(2,735,882)	262,777	(2,733,883)
Retained earnings (accumulated losses) balance at 30 June 2020	4,851,257	(921,906)	4,559,454	(1,213,709)

Fiji Television Limited and Subsidiary
Notes to and forming part of the financial statements
Year ended 30 June 2020

28. Events subsequent to balance date

The following changes in the key management personnel were noted subsequent to the financial year ended 30 June 2020:

Name	Title	
Karen Lobendahn	Chief Executive Officer	(resigned 11 September 2020)
Upendra Gounder	Manager Finance & Administration	(resigned 11 September 2020)
Rakesh Chand	Manager Content	(terminated 12 February 2021)
Sitiveni Halofaki	General Manager	(appointed 17 November 2020)
Poonam Nandani	Manager Finance & Administration	(appointed 1 December 2020)

Apart from the above and the matters raised in Note 27, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Group, to affect significantly the operations of the Company and the Group, the results of those operations, or the state of affairs of the Company and the Group, in subsequent financial years.

FIJI TELEVISION LIMITED

Additional information – SPX Listing Rules Information

(not included elsewhere in the Annual Report)

For the year ended 30 JUNE 2020

1. Shareholding

(a) Statement of interest of each director in the share capital of the Company or in a related Corporation as at 30 June 2020 in compliance with Listing Requirements:

	Direct Interest	Indirect Interest
Mr Ajai Punja (through Hari Punja & Sons Limited)	Nil	2,340,475

(b) Distribution of Shareholding:

Holdings	No. of Holders	Percentage Holding
0-500	210	0.89
501-5,000	205	3.14
5,001-10,000	8	0.74
10,001-20,000	3	0.40
20,001-30,000	1	0.29
100,001-1,000,000	3	9.98
>1,000,000	2	84.57
TOTAL:	432	100

(c) Top 20 Shareholders

Name	No. of Shares	% of Total Shares
FHL Media Limited	6,370,584	61.82
HARI PUNJA & SONS LIMITED	2,340,475	22.71
FHL TRUSTEES LIMITED ATF FIJIAN HOLDINGS UNIT TRUST	649,602	6.3
I TAUKEI AFFAIRS BOARD	253,012	2.46
CAPITAL INSURANCE LIMITED	125,000	1.21
BSP LIFE (FIJI) LIMITED	29,432	0.29
RAMESH CHANDRA CHAUHAN	16,200	0.16
JOSEPH C P YEE	12,500	0.12
FIJICARE INSURANCE LIMITED	12,085	0.12
CICIA PLANTATION CO-OPERATIVE SOCIETY LTD	10,000	0.1
JANSON HO LTD	10,000	0.1
P A LAL HOLDINGS LTD	10,000	0.1
VULI MATAITOGA	10,000	0.1
GRISH MAHARAJ	10,000	0.1
J K S HOLDINGS LIMITED	10,000	0.1
GRAHAM EDEN	8,767	0.09
WINPAR HOLDINGS LIMITED	7,384	0.07
EKUBU HOLDINGS LIMITED	5,000	0.05
MUALEVU KORO INVESTMENT LTD	5,000	0.05
VANUABALAVU VISION LIMITED	5,000	0.05
NABALANISIGA HOLDINGS LIMITED	5,000	0.05
NORMAN J QUINN	5,000	0.05
VIMAL VIJAY GOVIND	5,000	0.05
SATYA PRAKASH & LALITA PRAKASH	4,950	0.05
DHIRENDRA PRATAP	4,500	0.04
RONICA MALINI RAGHWAN	4,450	0.04
JENI KAITANI NAMUDU	4,000	0.04
P MEGHJI & COMPANY LIMITED	4,000	0.04
CAMIRA HOLDINGS LIMITED	4,000	0.04
JIMAIMA T SCHULTZ	3,500	0.03
PUSHPA WATI KAPADIA	3,400	0.03
ASHOK K BALI	3,170	0.03

FIJI TELEVISION LIMITED

Additional information – SPX Listing Rules Information

(not included elsewhere in the Annual Report)

For the year ended 30 JUNE 2020

2. Share Price Details:

Highest Share Price during the Year was \$5.50

Lowest Share Price during the Year was \$3.28

Share Price as at year end was \$3.50

3. Attendance at Board Meetings:

The Board met 6 times during this financial year. The Board has delegated day to day management to the Chief Executive Officer.

Name	Number of Meetings	Number Attended
Deepak Rathod	6	6
Ajai Punja	6	5
Nouzab Fareed	6	3
Gurminder Kaur Singh	6	6
Abilash Ram	6	3

4. Attendance to Sub Committee Meetings:

FINANCE AND AUDIT BOARD SUBCOMMITTEE ATTENDANCE

Meetings	Number of Meetings	Number Attended
Ajai Punja - Chairman	2	2
Saleshni Warren	2	2
Abilash Ram	2	1

HUMAN RESOURCE BOARD SUB COMMITTEE ATTENDANCE

Meetings	Number of Meetings	Number Attended
Gurminder Kaur Singh - Chairperson	2	2
Abilash Ram	2	1
Nouzab Fareed	2	1
Mereti Cokanasiga	2	1

FIJI TELEVISION LIMITED

Additional information – SPX Listing Rules Information

(not included elsewhere in the Annual Report)

For the year ended 30 JUNE 2020

5. SHARE REGISTER

Central Share Registry Pte Limited
Shop 1-11, Sabrina Building
Victoria Parade
Suva

6. CORPORATE DIRECTORY

FIJI TV REGISTERED OFFICE
78 BROWN STREET, SUVA, FIJI
T- + 679 3305100
E- info@fijitv.com.fj
W- www.fijione.tv

7. EXTERNAL AUDITORS

PRICE WATERHOUSE COOPERS
LEVEL 8, CIVIL TOWER
272 VICTORIA PARADE, SUVA, FIJI

8. EXTERNAL LEGAL ADVISORS

SHERANI & CO (FIJI)

9. Summary of key financial results for the previous five years for the Company:

Fiji TV 5 Year Financial Performance	2020 Restated \$	2019 Restated \$	2018 Restated \$	2017 \$	2016 \$
Revenue – Sales and Other Income	8,656,160	11,913,747	11,786,969	10,357,080	11,969,132
Profit After Tax	(2,734,093)	11,535	(766,742)	575,134	(668,124)
Earnings Per Share	(0.27)	0.00	(0.07)	0.06	(0.06)
Dividend Paid	515,000	834,300	721,000	3,089,998	3,708,000
Dividends Per Share	0.05	0.08	0.07	0.30	0.36
Total Liabilities	4,346,224	4,151,312	7,045,812	2,759,721	6,176,776
Total Asset	13,603,271	16,657,242	20,374,017	17,297,372	23,379,730
Net Tangible Asset Per Share	0.90	1.21	1.29	1.41	1.67
Shareholder's Fund	9,257,047	12,505,930	13,328,205	14,537,651	17,202,954

FIJI TELEVISION LIMITED

Additional information – SPX Listing Rules Information

(not included elsewhere in the Annual Report)

For the year ended 30 JUNE 2020

Corporate Governance Statement

Principle	Requirement	Compliance Status
1. Establish clear responsibilities for board oversight	Separation of duties: Clear separation of duties between Board and Senior Management.	In place and included in the Board Charter
	Board Charter: Adopt a Board charter detailing functions and responsibilities of the Board.	Board Charter in place
2. Constitute an effective Board	Board Composition: Balanced Board composition with Executive and Non-Executive Directors of which 1/3 rd of the total number of directors to be independent directors.	Board comprises of 4 directors with 2 independent directors.
	Gender Diversity: Do you have a policy for promoting gender diversity at Board level and have you achieved your policy goals?	Fiji TV has a Gender Diversity Policy and promotes gender equality within its workforce and Board.
	Nomination Committee: Selection, approval, renewal and succession of Directors to be conducted by Nomination Committee in accordance with Articles of Association of the Company and Fit and Proper Policy of Reserve Bank.	Nomination Committee is in place and handles all selection processes for approvals, renewal and succession of Directors.
	Board Evaluation: Process of evaluation of performance of the Board, its Committees and individual directors. Evaluation to be linked to key performance indicators of the listed entity.	Board Evaluation guidelines have been established and is reviewed regularly.
	Directors Training: Director's Training and induction procedure to be in place to allow new directors to participate fully and effectively.	Directors are encouraged to undertake director training.
	Board Sub- committees: Board must have sub- committee meetings which must at minimum include – <ul style="list-style-type: none"> • Audit Committee. • Risk and Management Committee. • Nomination Committee/ Recruitment Committee. 	Fiji TV has a HR, Audit and Risk Committee that meets to review areas of FTV which the Board considers critical.
	The Board endeavours to meet at least on a quarterly basis to consider and review the company's performance and approve any major policy changes or acquisitions.	FTV Board met 6 times during this financial year.

FIJI TELEVISION LIMITED

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

For the year ended 30 JUNE 2020

Corporate Governance Statement (Continued)

3. Appointment of Chief Executive Officer	CEO: To appoint a suitably qualified and competent Chief Executive Officer.	This is in place and included in the Board Charter.
4. Appointment of Company Secretary	Company Secretary: Board to appoint a suitably qualified and competent Company Secretary, who is accountable to the Board, through Chair, for all compliance and governance issues.	This is in place and included in the Board Charter.
5. Timely and balanced disclosure	Annual Reports: Timely and accurate disclosures are made in Annual Reports as per Rule 51 of the Listing Rules.	Annual Reports are produced and circulated to shareholders.
	Payment to Directors and Senior management: Sufficient information to be provided to shareholders on a remuneration paid to Directors and Senior Management.	Payments to Directors and senior management is disclosed in the Annual Report.
	Continuous Disclosure: General disclosures or company announcements to be made in a timely manner. The disclosures should be factual without omitting material information and to be expressed in a clear and objective manner to shareholders.	Disclosures and announcements are made as and when required in a timely manner.
6. Promote ethical and responsible decision – making	Code of Conduct: To establish a minimum Code of Conduct of the listed entity applicable to directors, senior management and employees and conduct regular trainings on the same.	A Code of Conduct is in place for Directors and employees of FTV.
7. Register of Interests	Conflicts of Interests: Transactions with related parties resulting in conflict of interest are disclosed and a register is maintained for this purpose.	Conflict of interests are disclosed when identified and a register maintained.

FIJI TELEVISION LIMITED

Additional information – SPX Listing Rules Information

(not included elsewhere in the Annual Report)

For the year ended 30 JUNE 2020

Corporate Governance Statement (Continued)

8. Respect the rights of shareholders	Communication with shareholders: To design communication strategy to promote effective communication strategy to promote effective communication with shareholders and encourage their participation.	This is achieved through Annual Reports, AGM and market announcements made during the year.
	Website: To create and maintain a Website of the listed entity to communicate effectively with shareholders and other stakeholders. All matters of importance to be updated regularly on the Website.	All shareholders and other stakeholders are provided the information to the SPX Exchange web page.
	Grievance Redressal Mechanism: To establish a Grievance Redressal Mechanism for Shareholders complaints and grievances.	FTV has not received any grievance to date from its shareholders.
	Shareholders 'Complaints: To provide details of shareholders' complaints received and attended to during the year. Provide reasons if any complaint is unresolved or unattended.	No complaints were received from shareholders during the year.
	Corporate Sustainability: To adopt a business approach that creates long – term shareholder value by embracing opportunities, managing risks, maximizing profits and minimizing negative social, economic, and environmental impacts.	FTV adopts a sustainable approach to the business.
9. Accountability and audit	Internal Audit: To appoint internal auditors or an alternative mechanism to achieve the objectives or risk management, control and governance.	FTV conducts Internal audit every quarter during the course of one financial year.
	External Audit: To appoint an external auditor who reports directly to the Board Audit Committee.	FTV appoints an auditor at its AGM annually.
	Rotation of External Auditor: To appoint the external auditor for a fixed term requiring senior partner of the audit firm to rotate once in every three or less financial years.	FTV ensures rotation of auditors on a regular basis.
	Audit Committee: To establish an Audit Committee comprising of at least 3 members of which majority are Independent and Chair is not Chair of the Board.	FTV has an Audit Committee which comprises of an Independent Director, non- executive Director and FHL Manager Internal Audit.

FIJI TELEVISION LIMITED

Additional information – SPX Listing Rules Information

(not included elsewhere in the Annual Report)

For the year ended 30 JUNE 2020

Corporate Governance Statement (Continued)

10. Risk Management	Risk Management Policy: To establish a Risk Management Policy to address risk oversight, risk management and internal control. The Policy to clearly define the roles and responsibilities of the Board, Audit Committee, management and internal audit function.	This role is overseen by the Audit, Finance Committee.
	Whistle Blower Policy: As part of risk management strategy, establish a Whistle Blower Policy by creating a mechanism of reporting concerns of unethical behaviour, actual or suspected fraud or violation of the listed entity's code of conduct or ethics policy, SPX rules or Companies Act.	A policy is in place and is under review as and when required.