

## **CHAIRPERSON of ARC JUDGE'S PANEL SPEECH – 7 November 2011**

Distinguished guests, Ladies & Gentlemen.

Good evening and Namaste to you all.

I would like to thank the South Pacific Stock Exchange (SPSE) for appointing me as Chair of the panel of judges for this year's annual report competition.

This evening is for the presentation of awards and I will therefore keep my speech delivery short as there is a lot of anticipation amongst the entrants present.

I would like to provide brief comments and observations noted from this year's competition.

- In my speech last year I had mentioned a record number of participants since 2007. I am pleased to announce that another record has been achieved in this year's competition.

There were a total of 29 entrants in this year's competition compared to 25 in 2010.

- The Listed Companies – Category D witnessed the largest number of entrants which demonstrate the role capital markets play in Fiji through quality reporting.
- The panel was pleased to note a high standard of reporting in the annual reports particularly around the models of corporate governance, specific disclosures requirements by the SPSE and providing additional information.
- More participation from the statutory authorities under Category A is encouraged with the support and understanding from the Government.

Statutory authorities should consider entering this competition and issuing their annual report under embargo while awaiting cabinet approval.

We hope that the number of entrants under this category improves in next year's competition along with the timely issue of the Auditor's report.

- Several annual reports under Category B – Cooperatives, Non-Profit and Charitable Organizations had poor presentation of their annual reports such as grammatical and typographical errors, incorrect note referencing and insufficient note disclosures to the financial statements which may not provide the reader with a clear message when making decisions.

However, a few reports in this category were of very high standard which demonstrates these organizations' commitment towards quality reporting, transparency, accountability and good governance.

- As mentioned in my speech last year the area of "Corporate Social Responsibilities" (CSR) reporting remains a challenge for most entrants.

There appears to be minimum reporting in the CEO/Chairperson's report on corporate social responsibilities which we hope will improve in next year's competition.

- The judges reviewed the marking schedule for this year's competition by increasing the weighting of "Compliance with Accounting Standards" from 15 points to 20 points given the importance of the International Financial Reporting Standards (IFRS) plays in the preparation and presentation of financial statements and its inclusion in the annual reports.
- The annual reports under Categories A, C and D were prepared under IFRS and several annual reports were of very high standard including the disclosure requirements and presentation under IFRS. The judges noted that these categories continue improving in the quality of its annual reports each year.
- The panel would like to congratulate the 14 entrants, whose audited financial statements were completed on a timely basis, being within three months post balance date.

We encourage entrants to visit the SPSE to obtain feedback and view the winning annual reports that will be announced shortly. The panel supports the scope for more participation in next year's competition and in the years to come.

I would like to thank my fellow judges for their time, valuable input and support. Mostly for their attention to detail and passion to read financial statements as this is what has been required to judge a competition such as this.

Finally, I would like to wish everybody best wishes for the upcoming festive season and happy holidays.