

CHAIRPERSON of ARC JUDGE'S PANEL SPEECH

Honourable guests, Ladies & Gentlemen.

Good evening 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.

- This year recorded the highest number of participants since 2007 .All four categories witnessed new entrants to the competition. There were a total of 25 entrants this year compared to 19 in the prior year and 23 in years 2007 and 2008.
- The panel was pleased to note an improvement from prior year in the quality of the annual reports produced. However, proof reading the report remains very important as some of the grammatical errors noted this year may not provide the readers with a clear message on which decisions would be based.
- In certain categories, the lack of proof reading or engaging a professional editor to finalize the report has led to annual report pages not being correctly numbered and referenced in accordance with the "contents page", the financial statements not being presented in the correct order and note disclosures not being correctly referenced.
- The panel would like to acknowledge the Charitable Organisations that participated under Category B. The annual reports of these five participants were of good quality and the panel

had to deliberate further as the marks were very close in this category. The panel was pleased to note these participants commitment towards quality financial reporting and good governance given their budget limitations.

- The reports under categories A, C and D were prepared under International Financial Reporting Standards (IFRS).

The panel noted several reports of very high standard including the compliance of IFRS, disclosure requirements and presentation. High standard of disclosures were noted in Risk Management Policies (liquidity, credit, market and operational risk) and Related Parties. Also, an improvement was noted by the panel on the disclosure requirements under IFRS for financial instruments (fair value of financial assets and liabilities), an accounting standard that is continuously in the spotlight.

- An area that requires more emphasis and focus in categories A, C and D was “Corporate Social Responsibilities” CSR reporting. The panel observed lack of sufficient information on CSR reporting in certain annual reports provided. Similar observations were noted in prior year.
- The panel also noted the need to link an entity’s review of the progress for the year to its Aims & Objectives. This is something that was not apparent when reading several of the CEO and/or Chairperson’s report.
- The panel would like to commend the 15 entities whose audited financial statements were completed on a timely basis- where the auditor’s report was signed within three months post balance date. This demonstrates their commitment for quality reporting and enhances the role capital markets play in Fiji.

To conclude,

I would like to thank my fellow judges for their time, 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.

I would like to wish everybody an enjoyable Diwali and best wishes for the upcoming festive season.