TOYOTA TSUSHO (SOUTH SEA) LIMITED

Financial Statements 2009

Toyota Tsusho (South Sea) Limited
Annual report - 31 March 2009

Contents

Directors	Shigeru Ito Alan Tatt Huat Tan Teresa Julia Apted Ian Thomas Mclean Mitsuyoshi Okutsu	
Secretary	Joseph Mow	
Notice of annual general meeting	The 89th annual general meeting of the shareholders of Toyota Tsusho (South Sea) Limited	
	Will be held at	The Regional Training Centre, Asco Motors, Ratu Mara Road, Nabua
	Time	12.30 p.m.
	Date	12th June 2009
Principal registered office in Fiji	Ratu Mara Road, Nabua Suva, Fiji	
Auditor	PricewaterhouseCoopers Chartered Accountants Suva, Fiji	

COMPANY PROFILE

Burns Philip & Co Ltd commenced operations in the Pacific in 1890 and in the ensuing years developed businesses in shipping, trading, merchandise and automotive. In the early days, Burns Philip played a major role in assisting with the development of the Pacific Islands.

During recent years, the business base was restructured to meet the changing circumstances and in 1990 a long-term decision was made to focus on the automotive business. As part of this decision, Burns Philip entered into an equal share joint venture with Toyota Tsusho Corporation in June 1993. On 1st November 1998 Toyota Tsusho Corporation bought Burns Philip's share in the joint venture.

The Company markets Toyota, Yamaha, Massey Ferguson, Bridgestone, other world proven products and also operates the Avis franchise. Toyota Tsusho (South Sea) Limited trading as Asco Motors operates through branches, which are strategically located throughout Fiji, Tonga, Samoa and American Samoa. In each area that Asco Motors operates they are the market leaders in many of the market segments.

Chairman's report

Business Review

Trading conditions for Toyota Tsusho (South Sea) Limited were again challenging in the 2008/09 fiscal period, however we are able to report improved results over the 2007/08 period. Consolidated revenues increased by 3.1% to FJD$99,984,000 and resulted in an increase in Net Profit After Tax of 13.1% to FJD$1,399,000.

Fiji, the major market, experienced significant revenue growth of 12.2%, considerably better than the new vehicle market growth of 8.9%. Net Profit After Tax for the year was FJD$2,705,000 in comparison to FJD 1,259,000 the previous year. Results for the year included dividends from subsidiaries totaling to FJD1,960,000, in relation to FJD388,000 in the previous year, and the increase was mainly due to distribution from retained earnings.

There was a major renovation carried out on the Suva dealership during the year.

The operation in Samoa had a difficult year as it coped with a dramatically reduced new vehicle market due to the planned conversion of the country to Right Hand Driving Control. New vehicle sales have stalled ahead of the conversion date in September 2009. The Net Profit After Tax for Samoa declined 61% to FJD$59,000.

The results from American Samoa showed a 20.6% increase in Net Profit after Tax to FJD$248,000, and are encouraging for the future.

The results from the Tongan operation showed a significant improvement with Net Profit After Tax increasing by FJD$337,000 to FJD$347,000.

Dividend

The directors have declared three interim dividends during the year totaling 10.5 cents per share.

Staff

Staff numbers remained static on a consolidated basis and only increased by 3 persons to 389 at year's end.

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

Corporate Social Responsibility

The company was active through the year with considerable focus on CSR projects. In Fiji a new vehicle was donated to the Kidney Foundation. Many other projects were supported in all countries.

Outlook

In the major market of Fiji, the 20% de-valuation of the currency announced in April 2009 will present a significant challenge to the company in the 2009/10 financial year. The de-valuation is expected to dampen demand for New Motor Vehicles and Marine products, however increased tourist numbers should assist the Avis operation.

The outlook for Samoa is for improved operating conditions in 2009/10. With the switch to Right Hand Driving Control in September 2009, a significant lift in new vehicle demand is anticipated which will re-energise the business.

The outlook for American Samoa is one of stability and should see some improvement in its results over this year.

Also the outlook for Tonga is positive with improved new vehicle sales and fuel sales expected.

Overall, we are predicting improved trading conditions in 2009/10 for Samoa, American Samoa and Tonga, however this will probably be offset by a reduced result from Fiji due to the impact of the de-valuation.

(continued)

Also the outlook for Tonga is quite positive due to recent import duty changes, which favour the importation of new vehicles, this, coupled with some structural changes to the business are expected to deliver improved results in 2009/10.

Overall, we are predicting improved trading conditions in 2009/10 for Toyota Tsusho (South Sea) Ltd.

Shigeru Ito

Director

19 May 2009.

Directors' report

The directors present their report for the year ended 31 March 2009, together with the financial statements of the parent entity and its subsidiaries for the year ended 31 March 2009.

Directors
The names of the Directors at any time during the year and up to the date of this report are:

Shigeru Ito
Alan Tatt Huat Tan
Teresa Julia Apted
Mitsuyoshi Okutsu
Ian Thomas Mclean

Reserves
The directors recommend that no amounts be transferred to reserves in respect of the year ended 31 March 2009.

Principal activities
The principal activities of the companies in the group are automotive importation and distribution.

Dividends
The directors declared a 3rd interim dividend of $140,322 during the year.

Results
The consolidated net profit of the group for the year after income tax expense was $1,399,284 (2008: $1,237,626).

The extent to which each company in the group contributed to the net consolidated profit covered by this report was:

	2009 $'000	2008 $'000
Toyota Tsusho (South Sea) Limited	**746**	1,259
Subsidiaries (Note 33)	**653**	(22)
	1,399	1,237

Matters subsequent to the end of the financial year
(a) Prior to the completion of the Holding Company's and its subsidiary companies' financial statements the Directors took reasonable steps to ascertain what action has been taken in relation to writing off bad debts and the making of provision for doubtful debts.

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

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

(b) Prior to the completion of the financial statements of the Holding Company and subsidiary companies the Directors took reasonable steps to ascertain whether any current assets were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the company and its subsidiaries. Where necessary, these assets have been written down or adequate provision has been made to bring the values of such assets to an amount that they might be expected to realise

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

(c) As at the date of this report:

(i) no charge on the assets of any company in the group has been given since the end of the financial year to secure the liabilities of any other person;

(ii) no contingent liabilities have arisen since the end of the financial year for which companies in the group could become liable ; and

(d) As at the date of this report the Directors are not aware of any circumstances that have arisen, not otherwise dealt within the report or the group financial statements, which would make adherence to the existing method of valuation of assets or liabilities of the company or its subsidiaries misleading or inappropriate.

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

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

(g) Following the Fiji Court of Appeal decision relating to certain acts of the President pursuant to the events of 5 December 2006, the President on 10 April 2009, announced that he had abrogated the constitution. At this stage it is too early to assess the impact, if any, the above may have on the Company's operations.

(h) On 15 April 2009, the Fiji dollar was devalued by 20%.

Signed at Suva the 19th day of May 2009 in accordance with a resolution of the Directors.

Shigeru Ito

Director

Ian Thomas Mclean

Director

Toyota Tsusho (South Sea) Limited
Income statements
for the year ended 31 March 2009

		Consolidated		Parent	
		2009	2008	**2009**	2008
	Notes	**$'000**	$'000	**$'000**	$'000
Revenue	6	**98,741**	95,919	**68,492**	63,249
Other income	6	**1,243**	1,015	**2,497**	690
Total revenue		**99,984**	96,934	**70,989**	63,939
Cost of sales		**(80,359)**	(78,225)	**(55,327)**	(51,240)
Selling and distribution expenses		**(1,036)**	(1,252)	**(846)**	(911)
Administrative and other expenses		**(15,823)**	(15,550)	**(10,959)**	(9,952)
Operating profit		**2,766**	1,907	**3,857**	1,836
Finance costs		**(18)**	(3)	**(15)**	-
Profit before income tax		**2,748**	1,904	**3,842**	1,836
Income tax expense	9	**(1,349)**	(667)	**(1,137)**	(577)
Profit for the year		**1,399**	1,237	**2,705**	1,259
Profit attributable to members of Toyota Tsusho (South Sea) Limited		**1,399**	1,237	**2,705**	1,259
Basic and diluted earnings per share	31	**0.10**	0.09		

The above income statements should be read in conjunction with the accompanying notes.

	Notes	Consolidated 2009 $'000	Consolidated 2008 $'000	Parent 2009 $'000	Parent 2008 $'000
ASSETS					
Current assets					
Cash and cash equivalents	10	**5,219**	6,054	**1,000**	1,941
Receivables	11	**8,293**	6,955	**6,214**	4,694
Inventories	12	**19,440**	16,655	**14,348**	11,566
Other current assets	13	**1,787**	1,763	**1,635**	1,692
		34,739	31,427	**23,197**	19,893
Non-current assets classified as held for sale	14	**-**	175	**-**	175
Total current assets		**34,739**	31,602	**23,197**	20,068
Non-current assets					
Receivables	15	**441**	323	**443**	327
Other financial assets	16	**-**	-	**1,084**	1,910
Property, plant and equipment	17,18	**14,783**	10,326	**11,895**	7,538
Deferred tax assets	26	**478**	1,248	**103**	871
Other non-current assets	19	**4,823**	2,482	**4,823**	2,363
Total non-current assets		**20,525**	14,379	**18,348**	13,009
Total assets		**55,264**	45,981	**41,545**	33,077
LIABILITIES					
Current liabilities					
Payables	20	**6,656**	5,351	**4,963**	4,860
Bank overdraft	22	**1,196**	-	**1,196**	-
Tax liabilities		**429**	724	**261**	582
Provisions	21	**659**	1,480	**579**	846
Other current liabilities	23	**4,903**	3,458	**4,691**	3,718
Total current liabilities		**13,843**	11,013	**11,690**	10,006
Non-current liabilities					
Deferred tax liabilities	26	**13**	30	**-**	-
Other non-current liabilities	24	**10,915**	5,586	**10,282**	4,730
Total non-current liabilities		**10,928**	5,616	**10,282**	4,730
Total liabilities		**24,771**	16,629	**21,972**	14,736
Net assets		**30,493**	29,352	**19,573**	18,341
EQUITY					
Contributed equity	29	**14,032**	14,032	**14,032**	14,032
Reserves	32(a)	**33**	(1,182)	**451**	451
Retained profits	32(b)	**16,428**	16,502	**5,090**	3,858
Total parent entity interest		**30,493**	29,352	**19,573**	18,341
Total equity		**30,493**	29,352	**19,573**	18,341

The above balance sheets should be read in conjunction with the accompanying notes.

	Notes	Consolidated 2009 $'000	Consolidated 2008 $'000	Parent 2009 $'000	Parent 2008 $'000
Cash flows from operating activities					
Cash receipts in the course of the business		**96,349**	95,298	**65,411**	61,872
Cash payments in the course of the business		**(89,793)**	(89,081)	**(60,386)**	(58,264)
Cash generated from operations	25	**6,556**	6,217	**5,025**	3,608
Income tax paid		**(896)**	(1,161)	**(712)**	(498)
Interest paid		**(18)**	(3)	**(15)**	-
Net cash inflow/(outflow) from operating activities		**5,642**	5,053	**4,298**	3,110
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		**460**	829	**385**	745
Payments for property, plant and equipment		**(9,373)**	(4,328)	**(8,410)**	(3,641)
Dividends received		**-**	-	**1,960**	388
Gain from sale of investment		**-**	-	**827**	-
Share of net profit of associates		**-**	-	**-**	-
Interest received		**232**	233	**58**	43
Net cash inflow/(outflow) from investing activities		**(8,681)**	(3,266)	**(5,180)**	(2,465)
Cash flows from financing activities					
Proceeds from borrowings		**-**	-	**-**	-
Dividends paid to outside equity interests		**(982)**	(280)	**(1,684)**	(842)
(Loans to)/repayments related companies		**1,990**	(1,835)	**429**	(552)
Net cash inflow/(outflow) from financing activities		**1,008**	(2,115)	**(1,255)**	(1,394)
Net increase/(decrease) in cash held		**(2,031)**	(328)	**(2,137)**	(749)
Cash at the beginning of the financial period		**6,054**	6,382	**1,941**	2,690
Cash and cash equivalents at end of year	10	**4,023**	6,054	**(196)**	1,941

The above cash flow statements should be read in conjunction with the accompanying notes.

	Notes	Consolidated 2009 $'000	Consolidated 2008 $'000	Parent 2009 $'000	Parent 2008 $'000
Total equity at the beginning of the financial year		**29,352**	29,492	**18,341**	17,784
Profit for the year		**1,399**	1,237	**2,705**	1,259
Dividends provided for or paid	30	**(1,473)**	(702)	**(1,473)**	(702)
Movement in Foreign Currency translation reserve		**1,215**	(675)	**-**	-
Total equity at the end of the financial year		**30,493**	29,352	**19,573**	18,341

The above statements of changes in equity should be read in conjunction with the accompanying notes.

1 General Information

Toyota Tsusho (South Sea) Limited ("the company"/ "parent entity") and its subsidiaries (together "the group"/ "consolidated entity") deals in the retailing and aftermarket operations of Toyota, Yamaha, Massey Ferguson, Bridgestone and Kobe franchises.

The company is a limited liability company incorporated and domiciled in Fiji. The address of the registered office is Lot 1, Ratu Mara Road, Nabua.

The company has its primary listing on the South Pacific Stock Exchange.

These group consolidated financial statements were authorised for issue by the board of directors on 19 May, 2009.

2 Summary of significant accounting policies

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

(a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Fiji Companies Act, 1983.

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

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

(i) Standards effective in 2008

- IFRIC 14, 'IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction', provides guidance on assessing the limit in IAS 19 on the amount of the surplus that can be recognised as an asset. It also explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement. This interpretation does not have any impact on the group's financial statements.
- IFRIC 11, 'IFRS 2 – Group and treasury share transactions', provides guidance on whether share-based transactions involving treasury shares or involving group entities (for example, options over a parent's shares) should be accounted for as equity-settled or cash-settled share-based payment transactions in the stand-alone accounts of the parent and group companies. This interpretation does not have an impact on the group's financial statements.

(ii) Standards and amendments early adopted by the group

IFRS 8, 'Operating segments', was early adopted during this financial year. IFRS 8 replaces IAS 14, 'Segment reporting'. The new standard becomes mandatory for financial periods beginning on or after 1 January 2009. IFRS 8 requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. This has resulted in the segments being reported in a manner that is more consistent with the internal reporting provided to the 'key decision maker'; the Executive Committee.

(iii) Interpretations effective prior to 2009 but not relevant to the group's operations

The following interpretation to published standards is mandatory for accounting periods beginning on or after 1 January 2008 but is not relevant to the group's operations:

- IFRIC 12; Service concession arrangements
- IFRIC 13; Customer loyalty programmes

(iii) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the group.

2 Summary of significant accounting policies (continued)

- IAS 1 (Revised), 'Presentation of financial statements' (effective from 1 January 2009). The revised standard will prohibit the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All non-owner changes in equity will be required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). Where entities restate or reclassify comparative information, they will be required to present a restated balance sheet as at the beginning comparative period in addition to the current requirement to present balance sheets at the end of the current period and comparative period. The group will apply IAS 1 (Revised) from 1 January 2009. It is likely that both the income statement and statement of comprehensive income will be presented as performance statements.

- IFRS 1 (Amendment) 'First time adoption of IFRS', and IAS 27 'Consolidated and separate financial statements' (effective from 1 January 2009). The amended standard allows first-time adopters to use a deemed cost of either fair value or the carrying amount under previous accounting practice to measure the initial cost of investments in subsidiaries, jointly controlled entities and associates in the separate financial statements. The amendment also removes the definition of the cost method from IAS 27 and replaces it with a requirement to present dividends as income in the separate financial statements of the investor. The group will apply IFRS 1 (Amendment) from 1 January 2009, as all subsidiaries of the group will transition to IFRS. The amendment will not have any impact on the group's financial statements.

- IAS 1 (Amendment), 'Presentation of financial statements' (effective from 1 January 2009).The amendment clarifies that some rather than all financial assets and liabilities classified as held for trading in accordance with IAS 39, 'Financial instruments: Recognition and measurement' are examples of current assets and liabilities respectively. The group will apply the IAS 39 (Amendment) from 1 January 2009. The amendment is not expected to have an impact on the group's financial statements.

- IAS 16 (Amendment), 'Property, plant and equipment' (and consequential amendment to IAS 7, 'Statement of cash flows') (effective from 1 January 2009). Entities whose ordinary activities comprise renting and subsequently selling assets present proceeds from the sale of those assets as revenue and should transfer the carrying amount of the asset to inventories when the asset becomes held for sale. A consequential amendment to IAS 7 states that cash flows arising from purchase, rental and sale of those assets are classified as cash flows from operating activities. The amendment will not have an impact on the group's operations because none of the group's companies ordinary activities comprise renting and subsequently selling assets.

2 Summary of significant accounting policies (continued)

(b) Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the company as at 31 March 2009 and the results of all subsidiaries for the year then ended.

Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Investments in subsidiaries are accounted for at cost in the financial statements of Toyota Tsusho (South Sea) Limited.

(c) Segment information

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

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

The group has implemented IFRS 8; Operating segments.

(d) Foreign currency translation

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

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

(iii) Transaction and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

2 Summary of significant accounting policies (continued)

(e) Property, plant and equipment

In accordance with IAS 16, the group records all property, plant and equipment at cost, less subsequent depreciation, except for freehold land, which is shown at cost. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably.

All other repairs and maintenance expenditures are charged to the income statement during the financial year in which they are incurred.

Gains or losses on the disposal of property plant and equipment are recognised in the income statement.

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

The rates currently adopted by the group are:

• Buildings	5.00%
• Plant and equipment	15.00% – 33.33%
• Sale and buy-back vehicles	25.00% – 50.00%

(f) Non-current assets held-for-sale

Non-current assets held for sale are stated at cost on acquisition and classifed as such when the presence of a Board approves a 'plan to sell'.

An impairment loss is recognised for any initial or subsequent write down of the asset to fair value less costs to sell. Gains are not recognised at the date of the sale of the non-current asset but is recognised at the date of derecognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held-for-sale are presented separately from the other assets in the balance sheet. Non-current assets held for sale are re-classifed to Property, plant and equipment if the Board resinds its 'plan to sell' and intends to utilise the asset for its economic benefits.

(g) Leases

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

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

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

2 Summary of significant accounting policies (continued)

(h) Financial assets

The group classifies its financials assets in the following categories: at fair value through profit or loss, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit and loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term.

Currently there are no assets held by the company in this category.

(ii) Loans & Receivables

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

(iii) Available-for-sale financial assets

Available for sale financial assets are non derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

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

Financial assets are derecognised when the rights to receive cash flows have expired have been transferred and the group has transferred substantially all risks and rewards of ownership or when it becomes apparent that a significant impairment exists.

Financial assets at fair value through profit or loss are carried at fair value whilst available for sale financial assets and loans and receivables are carried at cost as they are assumed to approximate their fair values.

The fair value of financial assets traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the group is the current bid price. The fair value of financial assets that are not traded in active markets is determined using valuation techniques. The group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

The group assesses at each balance date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any evidence of impairment exists, an impairment loss is recognised in the income statement as part of 'other gains/ (losses) - net' in the period in which they arise.

Gains arising from changes in the fair value of financial assets at fair value through profit or loss are presented in the income statement as part of 'other gains/ (losses) - net' in the period in which they arise. Gains arising from changes in fair value of available for sale financial assets are not recognised unless the group has an intention to dispose.

Dividend income from financial assets at fair value through profit or loss and available-for-sale financial assets is recognised in the income statement as part of 'other gains/ (losses) - net' when the group's rights to receive payment is established.

2 Summary of significant accounting policies (continued)

(i) Receivables

(i) Trade debtors

All trade debtors are recognised at the amounts receivable as they are due for settlement.

Collectability of trade debtors is reviewed on an ongoing basis. Debts, which are known to be uncollectible, are written off. A provision for doubtful debts is raised when some doubt as to collection exists.

(ii) Term trade debtors

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

(j) Inventories

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

(k) Cash and cash equivalents

Cash and cash equivalents are carried in the Balance Sheet at cost. For the purposes of the cash flow statement, cash and cash equivalent assets comprise, cash on hand, in bank and deposits at call which are readily convertible, to cash on hand net of outstanding bank overdrafts.

(l) Share Capital

Ordinary shares are classified as equity and carried in the group's financial statements at par value.

Costs relating to the issue of the parent entity's shares are not accounted for in the parent entity or the group's financial statements as these are settled directly among 'buyers' and 'sellers' and the South Pacific Stock Exchange. The shares of the subsidiaries within the group are not open for sale but wholly owned by the parent.

(m) Trade and other creditors

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

2 Summary of significant accounting policies (continued)

(n) Borrowings

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

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date. The company did not hold any borrowings in line with its capital risk management policy, refer note 3(e).

(o) Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

(p) Employee emoluments and benefits

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

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

(q) Provisions

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

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

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

2 Summary of significant accounting policies (continued)

(r) Dividends

Provision is made for the amount of any dividend declared, determined or publicly recommended by the directors on or before the end of the financial year but not distributed at year-end.

Dividends are subject to the provisions of the Fiji Income Tax Act and the Income Tax (Dividend) Regulations 2001.

(s) Revenue recognition

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

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

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

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

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

(t) Comparative figures

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

(u) Assets and liabilities relating to Sales and buy-back conditions

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

(a) Costs relating to buy-back contracts expiring in the next financial year are disclosed as current assets (notes 15 and 28), and the remainder are disclosed as non-current assets (notes 24 and 28).

(ii) Sale and buy-back liabilities
(a) Guaranteed buy-back amounts.

Amounts relating to buy-back contracts expiring in the next financial year are disclosed as current liabilities (notes 23 and 28), and the remainder are disclosed as non-current liabilities (notes 24 and 28).

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

Amounts to be recognized as revenue in the next financial year are disclosed as current liabilities (note 23), and the remainder are disclosed as non-current liabilities (note 24).

(c) Service contracts.

Certain vehicle sales with buy-back conditions also have a parallel service contract. Under a service contract, the company guarantees to carry out specified levels of servicing for the vehicle, over the contract period at an agreed contract value. This value is held as a non-current liability (note 24), and is recognised in the income statement as each service is performed on the vehicle.

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

3 Financial risk management

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

Risk management is carried out by finance executives and management of controlled entities of the group. Management and finance executives identify, and evaluate financial risks in close 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 risk and credit risks, and investment of excess liquidity.

(a) Market risk

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

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

(ii) Political climate
The group operates in four pacific island countries and changes to governments and the policies they implement affect the economic situation and ultimately the revenues of the group. To address this, the group reviews its pricing and product range regularly and responds appropriately.

(b) Credit risk

The consolidated entity has no significant concentrations of credit risk. The consolidated entity has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. The consolidated entity has policies that limit the amount of credit exposure to any one customer or group of customers. The table below shows the credit limit and balance of the five major counterparties in the group. The following also applies to the parent entity.

No credit limits were exceeded during the reporting period and management does not expect any losses from non-performance by these counterparties.

Counterparty	**31 March 2009**	
	Credit Limit $'000	**Balance $'000**
Counterparty A	**500,000**	**85,553**
Counterparty B	**200,000**	**94,273**
Counterparty C	**150,000**	**106,190**
Counterparty D	**150,000**	**93,774**
Counterparty E	**80,000**	**48,890**
	1,080,000	**428,680**

Counterparty	**31 March 2008**	
	Credit Limit $'000	**Balance $'000**
Counterparty A	200,000	104,415
Counterparty B	100,000	94,866
Counterparty C	60,000	55,039
Counterparty D	40,000	12,688
Counterparty E	20,000	13,237
	420,000	280,245

(c) Liquidity risk

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

Management monitors forecasts of the group's liquidity reserve. The forecasted liquidity reserve per 31st March 2009 is as follows;

	Consolidated		Parent	
	31 March 2009 $'000	2010-2013 $'000	31 March 2009 $'000	2010-2013 $'000
Opening balance for the period	**6,054**	4,023	**1,941**	(196)
Operating proceeds	**96,349**	542,444	**65,411**	373,825
Operating cash outflows	**(90,707)**	(498,888)	**(61,113)**	(336,119)
Investing cash outflows	**(9,373)**	(51,551)	**(8,410)**	(46,257)
Proceeds from investing activities	**692**	3,804	**3,230**	17,765
Payments of debts and dividends	**1,008**	5,545	**(1,255)**	(6,904)
Closing balance for the period	**4,023**	5,377	**(196)**	2,114

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

Consolidated - At 31 March 2009	**Less than 1 year $'000**	**Between 1 and 2 years $'000**	**Between 2 and 5 years $'000**	**Over 5 years $'000**
Trade and Other Payables	**3,494**	**3,162**	**-**	**-**

Consolidated - At 31 March 2008	Less than 1 year $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000
Trade and Other Payables	3,978	1,373	-	-

Parent - At 31 March 2009	**Less than 1 year $'000**	**Between 1 and 2 years $'000**	**Between 2 and 5 years $'000**	**Over 5 years $'000**
Trade and Other Payables	**1,638**	**3,325**	**-**	**-**

Parent - At 31 March 2008	Less than 1 year $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000
Trade and Other Payables	1,964	2,896	-	-

(d) Cash flow and fair value interest rate risk

As the consolidated entity has no significant interest-bearing assets, the consolidated entity's income and operating cash flows are not materially exposed to changes in market interest rates.

(e) Capital risk management

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

The group currently does not engage in borrowings and as such is not exposed to any capital risk.

4 Critical accounting estimates and judgements

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

(a) Critical accounting estimates and assumptions

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

(i) Income taxes

The group is subjected to income taxes in numerous jurisdictions. Income tax laws vary in the respective subsidiary jurisdictions. Notably, there is uncertainty as to when a significant change in legislature might eventuate in any of the subsidiary countries. Since judgement is required based on the information available at balance date, differences are expected to arise when the applicable tax authorities issue their assessment of the group's tax affairs. Such differences will impact the income tax expense and deferred tax provisions in the period in which they were made.

Appropriate alignment will be taken up subsequently.

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

Provisions are measured at the value management best estimates an expenditure to be incurred at, to settle a present obligation at balance date. Market situations are often used to estimate provisions. Changes in market situations will create a difference between provisions with the recorded figures. Whilst the fact remains that uncertain issues such as legal, warranty and bad debts exist, management as a benchmark makes adequate provisions based on past record and the foreseeable future.

The provisions are aligned once the final outcome is known at balance date.

(iii) Depreciation

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

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

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

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

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

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

In applying its accounting policies, the group is not aware of any significant risk of material adjustment to the carrying amount of assets and liabilities that may change within the next financial year.

5 Segment information

General Information

For the Group, the Executive Committee acts as the 'key decision maker'. Operating segments have been determined based reports reviewed by the Executive Committee.

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

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

Sales between segments are carried out at arm's length. The revenue from external parties reported to the Executive Committee is measured in a manner consistent with that in the income statement.

(a) Primary reporting - geographical segments

The geographical segments identified in the primary reporting disclosures are Fiji, American Samoa, Tonga and Samoa. The business segments identified in the secondary reporting disclosures are new vehicle, used vehicle, parts, tyres & batteries, service, panel and service stations. Segment revenues, expenses, assets and liabilities are those that are directly attributable to a segment. Segment assets include all assets used by that segment and consist primarily of operating cash, receivables, inventories, property, plant and equipment, net of related segment liabilities consisting primarily of trade and other creditors, employee entitlements and provisions.

Segment assets and liabilities do not include income taxes. Operating profit after tax has been allocated to the geographical segment but not to the business segments.

2009	Fiji $'000	Samoa $'000	A/Samoa $'000	Tonga $'000	Inter-Entity Elimination $'000	Group Total $'000
Revenue from external customers	67,786	6,799	11,062	13,094	-	98,741
Intersegment revenue	1,960	-	-	-	(1,960)	-
Total segment revenue	69,746	6,799	11,062	13,094	(1,960)	98,741
EBIT	2,315	30	546	455	-	3,346
Interest paid	(15)	-	-	(3)	-	(18)
Head office reimbursement	(787)	-	(225)	(103)	-	(1,115)
Fixed asset disposal profit	14	-	9	10	-	33
Intercompany dividend	1,960	-	-	-	(1,960)	-
Net exchange differences	355	56	27	64	-	502
Income tax (expense) / benefit	(1,137)	(27)	(109)	(76)	-	(1,349)
Net profit / (loss)	2,705	59	248	347	(1,960)	1,399
Segment assets	41,545	5,881	6,580	2,342	(1,084)	55,264
Total assets	41,545	5,881	6,580	2,342	(1,084)	55,264
Segment liabilities	21,972	879	739	1,181	-	24,771
Total liabilities	21,972	879	739	1,181	-	24,771
Other information						
Acquisitions of property, plant and equipment.	8,409	350	435	179	-	9,373
Depreciation expenses	3,680	429	613	77	-	4,799
Provision for obsolescence (note 7)	259	79	37	36	-	411
Provision for doubtful debts (note 7)	111	79	6	58	-	254

2008	Fiji $'000	Samoa $'000	A/Samoa $'000	Tonga $'000	Inter-Entity Elimination $'000	Consolidated $'000
Revenue from external customers	62,849	15,212	10,062	7,796	-	95,919
Intersegment revenue	1,090	-	-	-	(1,090)	-
Total segment revenue	63,939	15,212	10,062	7,796	(1,090)	95,919
EBIT	2,370	317	432	42	-	3,161
Interest paid	-	-	-	(3)	-	(3)
Head office reimbursement	(997)	(257)	(195)	(56)	-	(1,505)
Fixed asset disposal profit	72	40	7	-	-	119
Intercompany dividend	388	-	-	-	(388)	-
Withholding tax	(26)	-	-	-	-	(26)
Net exchange differences	29	94	6	29	-	158
Income tax (expense) / benefit	(577)	(43)	(45)	(2)	-	(667)
Net profit / (loss)	1,259	151	205	10	(388)	1,237
Segment assets	33,077	6,525	6,211	2,078	(1,910)	45,981
Total assets	33,077	6,525	6,211	2,078	(1,910)	45,981
Segment liabilities	14,736	1,383	670	1,194	(1,354)	16,629
Total liabilities	14,736	1,383	670	1,194	(1,354)	16,629
Other information						
Acquisitions of property, plant and equipment.	3,640	185	361	142	-	4,328
Depreciation expenses	3,353	412	390	72	-	4,227
Provision for obsolescence (note 7)	50	810	63	60	-	983
Provision for doubtful debts (note 7)	113	104	25	109	-	351

(b) Secondary reporting - business segments

Under IFRS 8, if business segments are the secondary format, an entity is required to disclose segment revenue from external customers, total of segment assets and capital expenditure on property, plant and equipment and intangible assets

While the assets and liabilities can be directly attributable to the geographical segment these could not be reasonably allocated to the business segments. The only exception for the group has been revenue from external customers which is disclosed as follows:

Consolidated revenue from operations

	2009 **$'000**	2008 $'000
New vehicles	**40,979**	46,919
Used vehicles	**6,589**	6,091
Parts	**8,344**	8,042
Tyres & batteries	**7,060**	5,980
Service	**4,410**	3,974
Panel	**1,703**	1,575
Fuel	**16,765**	12,166
Car rentals	**4,460**	4,060
Marine products	**4,998**	4,188
Sale and buy-back	**3,433**	2,924
	98,741	95,919

(c) Reconciliation of EBIT to profit before tax

The Executive Committee assesses the performance of the operating segments based on a measure of EBIT (Earnings before interest and income tax). This measurement basis excludes the effects of interest expense, head office reimbursements and gains and losses arising from disposal of fixed assets. The measure also excludes the effects of dividend income from inter-geographical segments.

	2009 **$'000**	2008 $'000
EBIT	**3,346**	3,161
Interest paid	**(18)**	(3)
Operating profit	**3,328**	3,158
Head office reimbursement	**(1,115)**	(1,531)
Fixed asset disposal profit	**32**	119
Net exchange differences	**503**	158
Profit before tax	**2,748**	1,904

(d) Reportable segment assets and liabilities

The reports provided to the Exective Committee with respect to assets and liabilites are reviewed and measured in respect of location only and consistent with that of the financial statements.

6 Revenue

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Revenue from continuing operations				
Operating revenue	**90,848**	88,935	**61,574**	57,018
Car rental income	**4,460**	4,060	**3,753**	3,609
Sale and buy-back revenue	**3,433**	2,924	**3,165**	2,622
	98,741	95,919	**68,492**	63,249
Other income				
Rents and sub-lease rentals	**132**	85	**33**	-
Interest	**232**	233	**58**	43
Dividends	**-**	(26)	**1,960**	362
Gain/(loss) on sale of fixed assets	**32**	119	**13**	72
Other income	**847**	604	**433**	213
	1,243	1,015	**2,497**	690
Total Revenue	**99,984**	96,934	**70,989**	63,939

7 Profit before income tax

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Profit before income tax has been determined after:				
Charging as expense				
Depreciation and amortisation of fixed assets	**4,799**	4,227	**3,680**	3,353
Employee emoluments and benefits expenses	**7,950**	7,247	**5,901**	5,234
	-	-	**-**	-
Auditors remuneration for audit services	213	100	156	61
Bad debts written off in respect of trade debts	1	113	-	110
Provisions made in respect of:				
Trade and term debts	**254**	351	**111**	113
Employee emoluments	**315**	93	**309**	45
Employee benefits (Long service leave)	**23**	5	**23**	5
Stock obsolescence	**411**	983	**259**	50
Sundry	**873**	199	**873**	198

8 Employee emoluments and benefits

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Staff	**7,507**	6,829	**5,458**	4,816
Key management personnel (note 34 (b))	**467**	418	**467**	418
Total employee emoluments and benefits	**7,974**	7,247	**5,925**	5,234

	Consolidated		Parent	
	2009	2008	**2009**	2008
Number of employees	**389**	386	**275**	266

9 Income tax

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Income tax (expense)/ benefit				
Current tax				
Current tax	**977**	1,068	**810**	740
Adjustment in respect of prior years	**(124)**	-	**(119)**	8
Total current tax	**853**	1,068	**691**	748
Deferred tax				
Origination and reversal of temporary differences	**228**	(401)	**135**	(171)
Prior year adjustment	**304**	-	**304**	-
Impact of change in tax rate	**(36)**	-	**7**	-
Total deferred tax	**496**	(401)	**446**	(171)
Income tax expense	**1,349**	667	**1,137**	577
The prima facie income tax payable on operating profit before income tax is reconciled to the income tax expense in the income statement as follows:				
Net profit/(loss) before income tax	**2,748**	1,904	**3,842**	1,836
Prima facie income tax (expense)/ benefit calculated at 31% (2008: 31%) on operating profit/ (loss)	**852**	590	**1,191**	569
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:				
Non-taxable dividend income	**(239)**	-	**(239)**	-
	613	590	**952**	569
Income tax under/ (over) provided in prior years	**(124)**	-	**(119)**	8
Adjustment to deferred tax in prior years	**304**	-	**304**	-
Differences in overseas tax rates	**(41)**	(18)	**-**	-
Others	**597**	95	**-**	-
Income tax expense	**1,349**	667	**1,137**	577

10 Cash and cash equivalents

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
This comprises:				
Cash at bank	**2,154**	2,048	**-**	(67)
Cash on hand	**1,041**	1,239	**-**	8
Deposits at call	**2,024**	2,767	**1,000**	2,000
Cash and cash equivalents	**5,219**	6,054	**1,000**	1,941
Bank overdraft (note 22)	**(1,196)**	-	**(1,196)**	-
Net cash balances at year end	**4,023**	6,054	**(196)**	1,941

11 Current assets - Receivables

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Trade debtors	**5,509**	5,130	**4,627**	4,109
Provision for doubtful debts	**(173)**	(252)	**(111)**	(113)
	5,336	4,878	**4,516**	3,996
Term debtors	**1,919**	1,226	**879**	295
Provision for doubtful debts	**(81)**	(99)	**-**	(2)
Provision for unearned income term debtors	**(112)**	(71)	**(1)**	(2)
	1,726	1,056	**878**	291
Other receivables	**547**	509	**310**	276
	547	509	**310**	276
Prepayments	**684**	512	**510**	131
	684	512	**510**	131
	8,293	6,955	**6,214**	4,694

11 Current assets - Receivables (continued)

The fair value of trade and other receivables are set out as follows:

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Trade receivables	**5,336**	4,878	**4,516**	3,996
Other trade debtors	**1,726**	1,056	**878**	291
	7,062	5,934	**5,394**	4,287
Prepayments	**684**	512	**510**	131
Receivables from related parties	**547**	509	**310**	276
	8,293	6,955	**6,214**	4,694

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

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Up to 3 months	**5,189**	4,332	**3,905**	3,387
3 to 6 months	**1,041**	949	**1,021**	729
Over 6 months	**832**	653	**468**	171
	7,062	5,934	**5,394**	4,287

The carrying amounts of the group's trade and other receivables denominated in foreign currency are as follows at year end:

	Consolidated		Parent	
	2009	2008	**2009**	2008
	'000	'000	**'000**	'000
Australian dollar (AUD)	**138**	29	**138**	7
US dollar	**-**	1	**-**	1
Japanese yen (JPY)	**3,750**	8,308	**3,750**	8,308
Other	**-**	124	**-**	124

Movement of the group's provision for doubtful debts (impairment) on trade receivables are as follows:

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Provision for doubtful debts - movements				
At 1 April 2008	**351**	452	**113**	209
Provision for doubtful debts	**39**	351	**14**	115
Receivables written off during the year as uncollectable	**(1)**	(113)	**-**	(110)
Unused amount reversed	**(135)**	(339)	**(16)**	(101)
At 31 March 2009	**254**	351	**111**	113

The other receivables and prepayments are not impaired. The group does not hold any collateral as security.

12 Current assets – Inventories

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Finished goods	**19,814**	17,625	**14,573**	11,607
Provision for obsolescence (note 7)	**(411)**	(983)	**(259)**	(50)
Finished goods	**19,403**	16,642	**14,314**	11,557
Work in progress	**37**	13	**34**	9
	19,440	16,655	**14,348**	11,566

The cost of inventories and the amount of write-down's recognised as expense and included in 'cost of sales' amounted to $11,121,002 (2008: $10,090,223) and $411,126 (2008: $983,121) respectively.

The carrying amount of the group's inventories reflects their fair values after taking into account obsolescence provisions and the current rate of stock turnover. Costs to sell range from an additional 5% to 7% of the current carrying amounts.

13 Current assets - Other current assets

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Sale and buy-back assets (note 28)	**1,787**	1,763	**1,635**	1,692

14 Non-current assets - Held-for-sale

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Land held for sale - Fiji	**-**	175	**-**	175

On 23rd February 2009, the company resolved not to sell the piece of land to prospective buyers. Reasons for the change to the initial 'plan to sell' have been brought about by the company's desire to utilise the land and thus the need to reclassify and account for the same under property plant and equipment in acccordance with accounting policy note 2(e). This reclassification will result in an increase in depreciation expense by around two thousand dollars for the current period. There will be no effect to prior periods nor is the Board aware of any impairment.

Non-current assets held for sale are accounted for in accordance with accounting policy 2(f).

15 Non-current assets – Receivables

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Term debtors	**436**	318	**434**	314
Unearned income	**(4)**	(8)	**-**	-
	432	310	**434**	314
Rental deposits	**9**	13	**9**	13
	441	323	**443**	327

15 Non-current assets - Receivables (continued)

Fair values

All term debtors are expected to be settled within 2 to 5 years and their fair values based on the corporate borrowing rate which the company would have been entitled to at year end. Their fair values at balance date are as follows:

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Term debtors fair value	**1,726**	297	**878**	257

Unearned income and rental deposits are not expected to be significantly different from the current carrying values.

16 Non-current assets - Other financial assets

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Shares in subsidiaries - at cost (note 33)	**-**	-	**1,084**	1,910
	-	-	**1,084**	1,910

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

17 Non-current assets - Property, plant & equipment

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Land & buildings				
Freehold land and buildings	**-**	-	**-**	-
At cost	**7,105**	6,561	**3,673**	3,673
Accumulated depreciation	**(4,312)**	(3,575)	**(1,684)**	(1,507)
Leasehold land and buildings				
	-	-	**-**	-
Leasehold improvements	**-**	-	**-**	-
At cost	**2,437**	2,149	**709**	535
Accumulated amortisation	**(1,391)**	(1,182)	**(360)**	(318)
Plant and equipment	**-**	-	**-**	-
At cost	**7,961**	6,591	**4,434**	4,115
Accumulated depreciation	**(4,984)**	(4,086)	**(2,803)**	(2,548)
Sale and buy-back vehicles	**-**	-	**-**	-
At cost	**9,728**	6,939	**9,068**	6,156
Accumulated depreciation	**(4,260)**	(3,944)	**(3,641)**	(3,441)
Work in process	**2,499**	873	**2,499**	873
At end of year	**14,783**	10,326	**11,895**	7,538

18 Non-current assets - Property, plant and equipment

Consolidated	**Freehold land and buildings $'000**	**Leasehold land and buildings $'000**	**Plant and equipment $'000**	**Sale and buy-back vehicles $'000**	**Total $'000**
At 31 March 2009					
Balance as per 2008 Financial Statements	3,628	1,231	2,473	2,994	10,326
Foreign exchange differences	162	26	121	3	312
Carrying amount at 1 April 2008	3,790	1,257	2,594	2,997	10,638
Additions	16	182	1,951	5,598	7,747
Disposals	-	-	(261)	(168)	(429)
Depreciation	(348)	(155)	(1,337)	(2,959)	(4,799)
Other movements	-	-	-	-	-
Work in process additions	-	1,626	-	-	1,626
Carrying amount at 31 March 2009	3,458	2,910	2,947	5,468	14,783

	Freehold land and buildings $'000	**Leasehold land and buildings $'000**	**Plant and equipment $'000**	**Sale and buy-back vehicles $'000**	**Total $'000**
Consolidated					
At 31 March 2008					
Balance per 2007 Financial Statements	3,573	824	3,119	3,633	11,149
Foreign exchange differences	(82)	(33)	(51)	(18)	(185)
Reclassifications	28	-	-	(28)	-
Additions	110	74	1,382	1,916	3,482
Disposals	-	-	(620)	(90)	(710)
Depreciation	(1)	(480)	(1,328)	(2,418)	(4,227)
Other movements	-	-	(29)	-	(29)
Work in process additions	-	846	-	-	846
Carrying amount at 31 March 2008	3,628	1,231	2,473	2,995	10,326

18 Non-current assets - Property, plant and equipment (continued)

Parent	**Freehold land and buildings $'000**	**Leasehold land and buildings $'000**	**Plant and Equipment $'000**	**Sale and buy-back vehicles $'000**	**Total $'000**
At 31 March 2009					
Carrying amount at 1 April 2008	2,163	1,090	1,569	2,716	7,538
Additions	-	175	1,011	5,597	6,783
Disposals	-	-	(203)	(169)	(372)
Depreciation	(176)	(42)	(746)	(2,716)	(3,680)
Reclassification	-	-	-	-	-
Work in process additions	-	1,626	-	-	1,626
Carrying amount at 31 March 2009	1,987	2,849	1,631	5,428	11,895

Parent	**Freehold land and buildings $'000**	**Leasehold land and buildings $'000**	**Plant and equipment $'000**	**Sale and buy-back vehicles $'000**	**Total $'000**
At 31 March 2008					
Carrying amount at 1 April 2007	2,344	226	2,284	3,070	7,924
Additions	-	42	836	1,889	2,767
Disposals	-	-	(583)	(90)	(673)
Depreciation	(178)	(51)	(971)	(2,153)	(3,353)
Reclassification	(3)	-	3	-	-
Work in process additions	-	873	-	-	873
Carrying amount at 31 March 2008	2,163	1,090	1,569	2,716	7,538

19 Non-current assets - Other non-current assets

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Sale and buy-back-assets (note 28)	**4,823**	2,482	**4,823**	2,363

20 Current liabilities – Payables

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Trade creditors	**1,483**	1,962	**767**	931
Related parties	**3,162**	1,373	**3,325**	2,896
Accrued expenses	**332**	458	**159**	212
Other creditors	**1,073**	1,059	**298**	412
Other payables	**606**	499	**414**	409
	6,656	5,351	**4,963**	4,860

21 Current liabilities – Provisions

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Employee benefits (a)	**82**	79	**82**	79
Dividends (b)	**29**	72	**29**	72
Dividends payable to parent shareholders (b)	**111**	279	**111**	279
Sundry (c)	**437**	1,050	**357**	416
	659	1,480	**579**	846

(a) Employee benefits

Provision for employee benefits relate to long service leave. The group is obliged to reward employees for years of service after 15 and 20 years of continuous employment. This provision estimates the extent of the benefit outstanding to an employee as a proportion of their 15 or 20 years of service and does not take into account the possibility of an employee being terminated, terminally ill, unfit for employment, voluntarily resigning or deceased. Within the coming year, the company expects to pay out approximately $2,000 as employee benefits if all the necessary conditions are met. Employee benefits have been accounted for as per note 2(q).

(b) Dividends

Provision for dividend's arises from the amount proposed by the board as dividends. The amount outstanding at balance date reflects unpaid dividends. There are no uncertainties in relation to the settlement of dividend provisions. Final dividends proposed by the board are normally ratified by the shareholders at the group's annual general meeting. All outstanding dividends are expected to be paid out come the next financial year. In the past all dividends proposed by the board and provided for have been paid. Dividends have been accounted for as per note 2(r).

21 Current liabilities - Provisions (continued)

(c) Sundry

The amount represents provisions for legal, bonus and warranty claims. The provision charge is recognised in profit and loss within 'administrative and other expenses'. The balance at 31 March 2009 is expected to be settled within the next financial year. In the Boards opinion, after making an assessment of historical data, the current market situation, and taking legal advice, the outcome of these provisions will not result in any significant loss beyond the amounts provided at 31 March 2009.

	Employee benefits $'000	Dividends $'000	Dividends payable to parent shareholders $'000	Sundry $'000	Total $'000
Consolidated					
At 1 April 2008	79	72	279	1,050	**1,480**
Charged/(credited) to the income statements					
- Additional provisions	23	303	1,171	873	**2,370**
- Used during the year	(20)	(346)	(1,339)	(1,486)	**(3,191)**
At 31 March 2009	82	29	111	437	**659**

	Employee benefits $'000	Dividends $'000	Dividends payable to parent shareholders $'000	Sundry $'000	Total $'000
Parent					
At 1 April 2008	79	72	279	416	**846**
Charged/(credited) to the income statements					
- Additional provisions	23	303	1,171	873	**2,370**
- Used during the year	(20)	(346)	(1,339)	(932)	**(2,637)**
At 31 March 2009	82	29	111	357	**579**

22 Current liabilities - Interest bearing liabilities

	Consolidated		Parent	
	2009 $'000	2008 $'000	**2009 $'000**	2008 $'000
Bank overdraft (note 10)	**1,196**	-	**1,196**	-
Total current borrowings	**1,196**	-	**1,196**	-

23 Current liabilities - Other current liabilities

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Sale and buy-back liabilities (note 28)	**2,053**	1,304	**1,884**	1,828
Sale and buy-back income in advance - current	**2,850**	2,154	**2,807**	1,890
	4,903	3,458	**4,691**	3,718

24 Non-current liabilities - Other non-current liabilities

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Sale and buy-back liabilities (note 28)	**5,771**	3,381	**5,186**	2,650
Service contracts	**2,047**	1,001	**1,999**	924
Sale and buy-back income in advance - non current	**3,097**	1,204	**3,097**	1,156
	10,915	5,586	**10,282**	4,730

25 Cash generated from operations

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Profit after income tax	**1,399**	1,237	**2,705**	1,259
Adjustments:	**-**	-	**-**	-
Depreciation and amortisation	**4,799**	4,227	**3,680**	3,353
Net profit on sale of non-current assets	**(32)**	(119)	**(12)**	(72)
Share of net profits of associates	**-**	-	**-**	-
Dividend income	**-**	-	**(1,960)**	(388)
Interest income	**(232)**	(233)	**(58)**	(43)
Income taxes paid	**1,349**	1,160	**1,137**	498
Foreign exchange differences	**(453)**	330	**-**	-
Sundry	**-**	-	**-**	2
Interest expense	**18**	3	**15**	-
Net cash provided by operating activities before change in assets and liabilities	**6,848**	6,605	**5,507**	4,609
Change in operating assets and liabilities:	**-**	-	**-**	-
(Increase) / decrease in trade and other receivables	**(1,049)**	(362)	**(1,138)**	(869)
(Increase) / decrease in inventories	**(2,397)**	1,447	**(2,560)**	1,026
(Increase) / decrease in tax assets and liabilities	**453**	(467)	**425**	105
(Increase)/ decrease in other operating assets	**(2,163)**	(807)	**(2,830)**	(628)
(Increase) / decrease in trade and other payables	**326**	(250)	**644**	(644)
(Increase) / decrease in other liabilities	**4,941**	72	**5,237**	62
Increase (decrease) in other provisions	**(403)**	(21)	**(260)**	(53)
Net cash generated from operations	**6,556**	6,217	**5,025**	3,608

26 Deferred income tax

(a) Deferred tax asset and deferred tax liability

	Consolidated		Parent	
	2009 $'000	**2008 $'000**	**2009 $'000**	**2008 $'000**
Deferred tax assets:				
Deferred tax asset to be recovered in more than 12 months	**478**	1,248	**58**	799
Deferred tax asset to be recovered within 12 months	-	-	**45**	72
Total deferred tax asset	**478**	1,248	**103**	871

	Consolidated		Parent	
	2009 $'000	**2008 $'000**	**2009 $'000**	**2008 $'000**
Deferred tax liabilities:				
Deferred tax liability to be recovered in more than 12 months	**7**	30	-	-
Deferred tax liability to be recovered within 12 months	**6**	-	-	-
Total deferred tax liabilities	**13**	30	-	-

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

	Consolidated		Parent	
	2009 $'000	**2008 $'000**	**2009 $'000**	**2008 $'000**
Beginning of year	**1,218**	817	**871**	699
Exchange differences	**32**	(14)	**-**	-
Income statement charge – current year	**(785)**	415	**(768)**	172
End of year	**465**	1,218	**103**	871

27 Net foreign exchange gains/(losses)

The exchange differences (charges)/ credited to the income statement.

	Consolidated		Parent	
	2009 $'000	2008 $'000	**2009 $'000**	2008 $'000
Net foreign exchange gains	**566**	212	**355**	30

28 Sale and buy-back assets and liabilities

	Consolidated		Parent	
	2009 **$'000**	2008 $'000	**2009** **$'000**	2008 $'000
Other current assets (note 13)	**1,787**	1,763	**1,635**	1,692
Other non-current assets (note 19)	**4,823**	2,482	**4,823**	2,363
Other current liabilities (note 23)	**(2,053)**	(1,304)	**(1,884)**	(1,828)
Other non-current liabilities (note 24)	**(5,771)**	(3,381)	**(5,186)**	(2,650)
	(1,214)	(440)	**(612)**	(423)

The above receivables and payables are included in the balance sheet in respect of sale and buy-back transactions of the consolidated entity and its subsidiaries as described in note 2(u).

All sale and buy-back assets and liabilities of the group are with the two major players in the banking industry. Hence, the carrying amounts of all sale and buy-back assets and liabilities reflected in the group's financial statements at balance date are deemed to be at their fair value.

29 Contributed equity

	Consolidated		Parent	
	2009 **Shares**	2008 Shares	**2009** **$'000**	2008 $'000
Share capital				
Ordinary shares				
Issued and paid up capital	**14,032**	14,032	**14,032**	14,032

The total authorised ordinary shares amounts to 20 million (2008: 20 million) with a par value of $1 per share (2008: $1 per share). The total number of issued and fully paid shares amounts to 14,032,202.

The company's capital (authorised and issued) compromises of ordinary shares only and these carry the same rights, preferences and restrictions.

30 Dividends per share

	Parent	
	2009	2008
	$'000	$'000
1st interim dividend of 2.5 cents per share - 2008	**-**	351
2nd interim dividend of 2.5 cents per share - 2008	**-**	351
1st interim dividend of 2.5 cents per share - 2009	**351**	-
2nd interim dividend of 7.0 cents per share - 2009	**982**	-
3rd interim dividend of 1.0 cents per share - 2009	**140**	-
	1,473	702

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

31 Earnings per share

(a) Basic

	Consolidated	
	2009	2008
	$'000	$'000
Profit attributable to members of Toyota Tsusho (South Sea) Ltd.	**1,399**	1,237
Weighted average number of ordinary shares issued	**14,032**	14,032
Basic earnings per share	**0.10**	0.09

(b) Diluted shares

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

32 Reserves and retained profits

(a) Reserves

	Consolidated 2009 $'000	Consolidated 2008 $'000	Parent 2009 $'000	Parent 2008 $'000
Capital redemption reserve	**56**	56	**56**	56
Share Premium reserve	**395**	395	**395**	395
Foreign currency translation reserve	**(418)**	(1,633)	**-**	-
	33	(1,182)	**451**	451

	Consolidated 2009 $'000	Consolidated 2008 $'000	Parent 2009 $'000	Parent 2008 $'000
Movements:				
Foreign currency translation reserve				
Balance 1 April 2008	**(1,633)**	(957)	**-**	-
Currency translation differences arising during the year :	**1,215**	(676)		
Balance 31 March 2009	**(418)**	(1,633)	**-**	-

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

There are no policies regarding the distribution of capital redemption and share premium reserve as sole directive rests on the decisions made by the board of directors.

(b) Retained profits

	Consolidated 2009 $'000	Consolidated 2008 $'000	Parent 2009 $'000	Parent 2008 $'000
Retained profits at the beginning of the financial year	**16,502**	15,967	**3,858**	3,301
Net profit attributable to members of Toyota Tsusho (South Sea) Limited	**1,399**	1,237	**2,705**	1,259
Dividends	**(1,473)**	(702)	**(1,473)**	(702)
Retained profits at the end of the financial year	**16,428**	16,502	**5,090**	3,858

33 Investments in subsidiaries

Investments in subsidiaries (unlisted):

Name of company	Toyota Tsusho (South Sea) Company Limited Investment Percentage		**Contributing to group net Operating profit (loss)**		**Book Value**	
	2009 %	2008 %	**2009 $'000**	2008 $'000	**2009 $'000**	2008 $'000
Car Rentals Pacific Limited	**100**	100	**-**	-	**189**	1,015
Toyota Tsusho (American Samoa), Inc	**100**	100	**248**	(14)	**594**	594
Toyota Tsusho (Tonga) Ltd	**100**	100	**347**	11	**1**	1
Toyota Tsusho (Samoa) Ltd	**100**	100	**58**	(19)	**300**	300
			653	(22)	**1,084**	1,910

Place of incorporation:

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

Countries where business carried on:

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

The business assets and liabilities of Car Rentals Pacific Limited were transferred to the parent company, Toyota Tsusho (South Seas) Limited on 1 January 2005.

34 Related parties

Details of interest in subsidiary companies are set out in note 33.

The immediate holding company of Toyota Tsusho (South Sea) Limited is Toyota Tsusho South Pacific Holdings Pty Ltd. incorporated in New South Wales, Australia, whose shares are held by Toyota Tsusho Corporation, incorporated in Japan

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

During the year the Company entered into transactions with its immediate Holding Company under a formalised Management Agreement for support services in the normal course of business under normal commercial terms. The group incurred management fees payable to Toyota Tsusho South Pacific Holdings Pty Ltd. of FJ$1.1 million (2008: FJ$1.5million).

Purchases of trading stock from Toyota Tsusho Corporation are in the normal course of business and on normal commercial terms and conditions amounting to approximately FJ$15.1 million (2008: FJ$14.5 million). All dealings with subsidiaries and other related parties are in the ordinary course of business and on normal terms and conditions

(a) Sale of goods and services

No sales were carried out with related parties. Related party receivables arise out of warranty claims.

(b) Key management personnel

	2009 **$'000**	2008 $'000
Emoluments	**348**	397
Benefits	**119**	21
Total emoluments and benefits	**467**	418

(c) Purchases of goods and services

The company made the following purchase of goods and services from related parties.

	2009 **$'000**	2008 $'000
Purchase of goods:		
-Ultimate parent	**12,643**	4,369
-Immediate parent	**15,093**	2,107
Total goods purchased from related parties	**27,736**	6,476
Purchase of services:		
-immediate parent	**1,115**	1,505

34 Related parties (continued)

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

	2009 $'000	2008 $'000
Receivable from related parties		
-Ultimate parent	**-**	130
-Immediate parent	**173**	9
Total goods purchased from related parties	**173**	139
Payable to related parties		
-Ultimate parent	**315**	70
-Immediate parent	**3,006**	1,215
Total payable to related entities	**3,321**	1,285

The receivables from related parties arise mainly from sale transactions and are due one month after date of sales. The receivables are unsecured and bear no interest.

Payables to the related parties arise mainly from purchase transactions and are due one month after the date of purchase. The payables bear no interest.

35 Contingent liabilities

	Consolidated		**Parent**	
	2009 $'000	2008 $'000	**2009 $'000**	2008 $'000
Details and estimates of maximum amounts of contingent liabilities are as follows:				
Guarantees and endorsements	**1,296**	1,296	**1,150**	1,150
Other	**10**	10	**10**	10
	1,306	1,306	**1,160**	1,160

The group has no further contingent liabilities other than those disclosed above.

36 Commitments for expenditure

(a) Finance leases

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

	Consolidated		**Parent**	
	2009 **$'000**	2008 $'000	**2009** **$'000**	2008 $'000
Within one year	**985**	949	**760**	744
Later than one year but not later than five years	**2,567**	2,360	**1,880**	1,916
Later than five years	**4,749**	4,659	**2,551**	2,746
	8,301	7,968	**5,191**	5,406

(b) Capital commitments

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

	Consolidated		**Parent**	
	2009 **$'000**	2008 $'000	**2009** **$'000**	2008 $'000
Property , plant and equipment				
Payable within one year	**97**	1,671	**-**	1,671

37 Matters subsequent to the end of the financial year

Since the end of the financial year, the Directors are not aware of any circumstances, which would render the values, attributed to the group's financial statements misleading or misstated other than those disclosed below.

(a) As at the date of this report:

(i) no charge on the assets of any company in the group has been given since the end of the financial year to secure the liabilities of any other person; and

(ii) no contingent liabilities have arisen since the end of the financial year for which companies in the group could become liable.

(b) As at the date of this report the Directors are not aware of any circumstances that have arisen, not otherwise dealt within the report or the group financial statements, which would make adherence to the existing method of valuation of assets or liabilities of the company or its subsidiaries misleading or inappropriate.

(c) Following the Fiji Court of Appeal decision relating to certain acts of the President pursuant to the events of 5 December 2006, the President on 10 April 2009, announced that he had abrogated the constitution. At this stage it is too early to assess the impact, if any, the above may have on the Company's operations.

(d) On 15 April 2009, the Fiji dollar was devalued by 20%.

38 Principal activities

The principal activities of the companies in the group are automotive importation and retail.

The Directors of Toyota Tsusho (South Sea) Limited hereby state that in their opinion:

(a) The accompanying income statements of the parent entity and of the group are drawn up so as to give a true and fair view of the results of the parent entity and of the group for the year ended 31 March 2009.
(b) The accompanying balance sheets of the parent entity and of the group are drawn up so as to give a true and fair view of the statement of affairs of the parent entity and of the group at 31 March 2009.
(c) The accompanying cash flow statements of the parent entity and of the group are drawn up so as to give a true and fair view of the cash flows of the parent entity and of the group for the year ended 31 March 2009, and
(d) The accompanying statements of changes in equity are drawn up so as to give a true and fair view of the movement in shareholders' equity of the parent entity and of the group for the year ended 31 March 2009.

Signed at Suva this 19th day of May 2009 in accordance with the resolution of Directors.

Shigeru Ito

Director

Ian Thomas Mclean

Director

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

a) Statement of interest of each Director in the share capital of the Company or in a related Corporation as at 31 March 2009 in compliance with Listing Requirements

Directors' interest in the company – NIL

b) Distribution of Share Holding

Holding	No of Holders	% Holding
Less than 500 Shares	94	0.14
501 to 5,000 Shares	47	0.43
5,001 to 10,000 Shares	8	0.38
20,001 to 30,000 Shares	1	0.17
30,001 to 40,000 Shares	2	0.47
40,001 to 50,000 Shares	1	0.31
100,001 to 1,000,000 Shares	1	4.15
Over 1,000,000 Shares	2	93.95
Total	156	100.00

c) Share Register

Central Share Registry
South Pacific Stock Exchange
Level 2, Plaza One, Provident Plaza.
33 Ellery Street,
GPO Box 11689,
Suva, Fiji

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers
Level 8, Civic Tower
262 Victoria Parade
GPO Box 200
Suva, Fiji Islands
Telephone +679 331 3955
+679 331 5199
Facsimile +679 330 0947
+679 330 0981

INDEPENDENT AUDIT REPORT

To the members of Toyota Tsusho (South Sea) Limited

Scope

We have audited the financial statements of Toyota Tsusho (South Sea) Limited and of the group for the year ended 31 March 2009 as set out on pages 7 to 44. The company's directors and management are responsible for the preparation and presentation of the financial statements and the information they contain. We have conducted an independent audit of these financial statements in order to express an opinion on them to the members of the company.

Our audit has been conducted in accordance with Fiji Standards on Auditing to provide reasonable assurance as to whether the financial statements are free of material misstatement. Our procedures included examination on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether in all material respects, the financial statements are presented fairly in accordance with International Financial Reporting Standards and statutory requirements so as to present a view which is consistent with our understanding of the company's and the group's financial position, the results of their operations, changes in equity and their cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion:

(a) proper books of account have been kept by the company and its subsidiaries, so far as it appears from our examination of those books, and

(b) the accompanying financial statements which have been prepared in accordance International Financial Reporting Standards:

(i) are in agreement with the books of account;

(ii) to the best of our information and according to the explanations given to us:

a) give a true and fair view of the state of affairs of the company and of the group as at 31 March 2009 and of the results, changes in equity and cash flows of the company and of the group for the year ended on that date;

b) give the information required by the Fiji Companies Act, 1983 in the manner so required.

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

PricewaterhouseCoopers

Suva, Fiji
19 May 2009

PricewaterhouseCoopers
Chartered Accountants

TOYOTA TSUSHO (SOUTH SEA) LIMITED

Financial Statements
2009