



MAURITIUS HOUSING COMPANY LTD

STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2018

Annex 1

Notes	30 September 2018	30 September 2017	Audited 31 December 2017
	Rs'000	Rs'000	Rs'000
ASSETS			
Cash and cash equivalents	174,798	141,724	97,433
Treasury deposit	150,000	475,000	375,000
Property development	2,405	2,405	2,405
Loans to customers	1 7,209,503	6,683,554	6,793,334
Investment property	116,000	104,240	116,000
Property and equipment	484,927	491,784	491,853
Intangible asset	58,855	49,049	48,534
Other assets	273,850	306,936	302,549
Total assets	8,470,338	8,254,692	8,227,108
LIABILITIES			
PEL & other savings accounts	1,789,541	1,734,515	1,744,007
Housing deposits certificates- HDC	2,402,924	2,307,404	2,290,327
Borrowings	2 542,359	531,734	496,256
Retirement benefit obligations	267,559	155,268	267,558
Other liabilities	92,303	105,307	69,041
Total liabilities	5,094,686	4,834,228	4,867,189
Insurance funds	97,100	76,222	97,100
SHAREHOLDERS' EQUITY			
Share capital	200,000	200,000	200,000
Revaluation reserves	489,743	489,743	489,743
Building insurance reserve	116,810	116,810	116,810
Life insurance reserve	154,642	154,642	154,642
Retained earnings	1,998,170	2,061,187	1,982,437
Statutory reserve	200,000	200,000	200,000
Other reserves	119,187	121,860	119,187
Total equity	3,278,552	3,344,242	3,262,819
Total equity and liabilities	8,470,338	8,254,692	8,227,108



MAURITIUS HOUSING COMPANY LTD

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR PERIOD/YEAR
ENDED 30 SEPTEMBER 2018

Annex 2

	9 Months to September 2018 Rs'000	3 Months to September 2018	9 Months to September 2017 Rs'000	3 Months to September 2017 Rs'000	Audited 31 December 2017 Rs'000
Interest income	355,685	115,310	387,535	128,878	509,149
Interest expense	(127,187)	(42,136)	(141,938)	(49,954)	(183,869)
Interest suspended	2,695	551	9,514	2,423	9,462
Net interest income	231,193	73,725	255,111	81,347	334,742
Fee and commission income	22,415	9,459	20,283	6,154	25,016
Rent received	6,262	3,099	5,521	1,827	7,349
Policy fees and charges on loan	5,279	1,726	3,684	1,148	5,055
Other operating income	45,262	15,245	45,215	15,085	40,151
	79,218	29,529	74,703	24,214	77,571
Operating income	310,411	103,254	329,814	105,561	412,313
Personnel expenses	(115,139)	(37,712)	(102,654)	(34,659)	(167,900)
Depreciation and amortisation	(10,580)	(3,472)	(10,730)	(3,701)	(15,568)
Other expenses	(66,184)	(20,135)	(55,655)	(19,589)	(78,037)
Non-interest expense	(191,903)	(61,319)	(169,039)	(57,949)	(261,505)
Operating profit	118,508	41,935	160,775	47,612	150,808
Provision/release for credit impairment/IFRS 9	(831)	(10,890)	32,711	(7)	54,799
Gain/(loss) on foreclosed properties	(1,381)	2,456	(8,414)	(128)	(7,580)
Increase in fair value of investment property	-	-	-	-	11,760
Profit for the quarter/year	116,296	33,501	185,072	47,477	209,787
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss:</i>					
Remeasurements of post employment benefit obligatio	-	-	-	-	(105,078)
Gain on foreclosed properties	-	-	-	-	(2,673)
Impact of adopting IFRS 9	(58,605)	-	-	-	-
Other comprehensive income for the period/year	(58,605)	-	-	-	(107,751)
Total comprehensive income for the period/year	57,691	33,501	185,072	47,477	102,036
Earnings per share (Rs)	5.81	1.68	9.25	2.37	10.49



MAURITIUS HOUSING COMPANY LTD

STATEMENT OF CHANGES IN EQUITY FOR PERIOD ENDED 30 SEPTEMBER 2018

Annex 3

	Share capital Rs'000	Revaluation reserves Rs'000	Building insurance reserve Rs'000	Retained earnings Rs'000	Life Insurance reserve	Statutory reserve Rs'000	Other reserves Rs'000	Total Rs'000
At 1 January 2017	200,000	489,743	116,810	1,926,138	154,642	200,000	121,860	3,209,193
Profit for the period	-	-	-	185,072	-	-	-	185,072
Dividend	-	-	-	(50,023)	-	-	-	(50,023)
At 30 September 2017	200,000	489,743	116,810	2,061,187	154,642	200,000	121,860	3,344,242
At 1 January 2017 as previously stated	200,000	489,743	116,810	1,926,138	154,642	200,000	121,860	3,209,193
Movement on reserve	-	-	-	2,673	-	-	(2,673)	-
Adjustment made on lon term borrowings	-	-	-	(1,060)	-	-	-	(1,060)
Dividend	-	-	-	(50,023)	-	-	-	(50,023)
Profit for the year	-	-	-	209,787	-	-	-	209,787
Other comprehensive income	-	-	-	(105,078)	-	-	-	(105,078)
Total comprehensive income	-	-	-	-	-	-	-	104,709
At 31 December 2017	200,000	489,743	116,810	1,982,437	154,642	200,000	119,187	3,262,819
At 1 January 2018	200,000	489,743	116,810	1,982,437	154,642	200,000	119,187	3,262,819
Impact of adopting IFRS 9	-	-	-	(58,605)	-	-	-	(58,605)
Restated opening balance	200,000	489,743	116,810	1,923,832	154,642	200,000	119,187	3,204,214
Profit for the period	-	-	-	116,296	-	-	-	116,296
Dividend	-	-	-	(41,957)	-	-	-	(41,957)
At 30 September 2018	200,000	489,743	116,810	1,998,171	154,642	200,000	119,187	3,278,553



MAURITIUS HOUSING COMPANY LTD

STATEMENT OF CASH FLOWS FOR THE PERIOD/YEAR ENDED 30 SEPTEMBER 2018

Annex 4

	30 September 2018 Rs'000	30 September 2017 Rs'000	Audited 31 December 2017 Rs'000
Cash flows from operating activities			
Profit for the period/year	116,296	185,072	209,787
<i>Adjustments for:</i>			
Allowance for credit impairment	831	(32,711)	(55,424)
Depreciation	9,628	9,185	13,508
Amortisation	951	1,545	2,060
Loss/(Gain) on sale of foreclosed property	1,381	8,414	7,580
Increase in fair value of investment property	-	-	(11,760)
Interest in suspense	(2,695)	(9,514)	(9,462)
Profit on disposal of property and equipment	(15)	(4)	(4)
Provision for retirement benefit obligation	-	-	7,212
	<u>126,377</u>	<u>161,987</u>	<u>163,497</u>
Change in operating assets and liabilities			
Increase in other assets	27,317	(31,420)	(26,199)
Decrease/(increase) in treasury deposit	125,000	-	25,000
(Decrease)/increase in other liabilities	(18,695)	4,678	18,436
(Decrease)/increase in accrued interest payable	(14,546)	5,481	(17,821)
(Decrease)/increase in loans to customers	(472,909)	(315,547)	(402,666)
Increase/(decrease) in insurance funds	-	-	20,878
Net cash used in operating activities	<u>(353,833)</u>	<u>(336,808)</u>	<u>(218,875)</u>
Cash flows from investing activities			
Purchase of property and equipment	(2,702)	(2,330)	(6,723)
Purchase of intangible assets	(11,272)	(13,177)	(13,177)
Proceeds from disposal of property and equipment	15	4	4
Net cash (used in)/generated from investing activities	<u>(13,959)</u>	<u>(15,503)</u>	<u>(19,896)</u>
Cash flows from financing activities			
Housing deposits certificates (HDC)	113,354	230,806	228,271
Plan Epargne Logement Savings (PEL)	59,323	45,577	63,829
Repayments of borrowings	146,612	(45,379)	(83,611)
Dividends paid	-	-	(50,023)
Net cash generated from/(used in) financing activities	<u>319,289</u>	<u>231,004</u>	<u>158,466</u>
Increase/(decrease) in cash and cash equivalents	<u>77,874</u>	<u>40,680</u>	<u>(80,305)</u>
Movement in cash and cash equivalents			
Cash and cash equivalents as at 1 January	94,569	99,874	174,874
Increase/(decrease) in cash and cash equivalents	77,874	40,680	(80,305)
Cash and cash equivalents at 30 September/31 December	<u>172,443</u>	<u>140,554</u>	<u>94,569</u>
Cash and cash equivalents			
Cash at bank and in hand	174,798	141,724	97,433
Bank overdrafts and uncleared effects	(2,355)	(1,170)	(2,864)
	<u>172,443</u>	<u>140,554</u>	<u>94,569</u>



MAURITIUS HOUSING COMPANY LTD

Notes to Accounts

1 LOANS TO CUSTOMERS - SECURED

	30 September 2018	30 September 2017	Audited 31 December 2017
	Rs 000	Rs 000	Rs 000
Fast loans	2,651	2,932	3,093
Secured loans	8,006,218	7,445,909	7,532,867
Total loan advanced	8,008,869	7,448,841	7,535,960
Provision for Bad debts	-	-	-
Provision for credit losses (Note (b))	(633,660)	(596,937)	(574,224)
Interest suspended	(165,706)	(168,350)	(168,402)
	<u>7,209,503</u>	<u>6,683,554</u>	<u>6,793,334</u>
Analysed as follows:			
Current	440,634	429,962	440,634
Non-current	7,568,235	7,018,879	7,095,326
	<u>8,008,869</u>	<u>7,448,841</u>	<u>7,535,960</u>

(b) Provision for credit losses

	Specific Provision	Portfolio Provision	Total
	Rs'000	Rs'000	Rs'000
At 1 January 2017	572,825	56,823	629,648
Movement during the period	(36,313)	3,602	(32,711)
At 30 September 2017	<u>536,512</u>	<u>60,425</u>	<u>596,937</u>
At 1 January 2017	572,825	56,823	629,648
Movement during the year	(60,259)	4,835	(55,424)
At 31 December 2017	<u>512,566</u>	<u>61,658</u>	<u>574,224</u>
At 1 January 2018	512,566	61,658	574,224
Impact of adopting IFRS 9	63,366	(4,761)	58,605
Restated opening balance as per IFRS 9	575,932	56,897	632,829
Movement during the period	(2,101)	2,932	831
At 30 September 2018	<u>573,831</u>	<u>59,829</u>	<u>633,660</u>

2 BORROWINGS

	30 September 2018	30 September 2017	Audited 31 December 2017
	Rs'000	Rs'000	Rs'000
Current			
Bank overdrafts (secured)	2,355	1,170	2,864
Loan capital	9,067	9,483	9,067
Bank loans	183,333	83,333	83,333
	<u>194,755</u>	<u>93,986</u>	<u>95,264</u>
Non-current			
Loan capital	113,113	119,922	119,833
Bank loans	223,329	306,664	269,997
Loan - Government of Mauritius	11,162	11,162	11,162
	<u>347,604</u>	<u>437,748</u>	<u>400,992</u>
Total borrowings	<u>542,359</u>	<u>531,734</u>	<u>496,256</u>