



MAURITIUS HOUSING COMPANY LTD

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2018

Annex 1

	Notes	30 June 2018 Rs'000	30 June 2017 Rs'000	Audited 31 December 2017 Rs'000
<b>ASSETS</b>				
Cash and cash equivalents		96,725	116,645	97,433
Treasury deposit		250,000	475,000	375,000
Property development		2,405	2,405	2,405
Loans to customers	1	7,008,850	6,616,319	6,793,334
Investment property		116,000	104,240	116,000
Property and equipment		487,065	493,532	491,853
Intangible asset		59,172	48,579	48,534
Other assets		304,773	282,728	302,549
<b>Total assets</b>		<b>8,324,990</b>	<b>8,139,448</b>	<b>8,227,108</b>
<b>LIABILITIES</b>				
PEL & other savings accounts		1,771,941	1,731,967	1,744,007
Housing deposits certificates- HDC		2,406,407	2,228,117	2,290,327
Borrowings	2	441,669	548,946	496,256
Retirement benefit obligations		267,558	155,269	267,558
Other liabilities		95,250	102,162	69,041
<b>Total liabilities</b>		<b>4,982,825</b>	<b>4,766,461</b>	<b>4,867,189</b>
Insurance funds		97,100	76,222	97,100
<b>SHAREHOLDERS' EQUITY</b>				
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		1,964,683	2,013,710	1,982,437
Statutory reserve		200,000	200,000	200,000
Other reserves		119,187	121,860	119,187
<b>Total equity</b>		<b>3,245,065</b>	<b>3,296,765</b>	<b>3,262,819</b>
<b>Total equity and liabilities</b>		<b>8,324,990</b>	<b>8,139,448</b>	<b>8,227,108</b>



MAURITIUS HOUSING COMPANY LTD

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

Annex 2

	6 Months to June 2018	3 Months to June 2018	6 Months to June 2017	3 Months to June 2017	Audited 31 December 2017
	Rs'000		Rs'000	Rs'000	Rs'000
Interest income	240,374	124,460	258,657	130,350	509,149
Interest expense	(85,051)	(48,727)	(91,983)	(46,800)	(183,869)
Interest suspended	2,144	1,423	7,090	4,817	9,462
<b>Net interest income</b>	<b>157,467</b>	<b>77,156</b>	<b>173,764</b>	<b>88,367</b>	<b>334,742</b>
Fee and commission income	12,961	8,127	14,129	6,544	25,016
Rent received	3,163	807	3,694	1,916	7,349
Policy fees and charges on loan	3,553	2,134	2,536	1,248	5,055
Other operating income	30,014	14,861	30,130	15,804	40,151
	49,691	25,929	50,489	25,512	77,571
<b>Operating income</b>	<b>207,158</b>	<b>103,085</b>	<b>224,253</b>	<b>113,879</b>	<b>412,313</b>
Personnel expenses	(77,426)	(36,545)	(67,994)	(31,276)	(167,900)
Depreciation and amortisation	(7,107)	(3,585)	(7,029)	(3,559)	(15,568)
Other expenses	(46,033)	(19,877)	(36,093)	(16,658)	(78,037)
<b>Non-interest expense</b>	<b>(130,566)</b>	<b>(60,007)</b>	<b>(111,116)</b>	<b>(51,493)</b>	<b>(261,505)</b>
<b>Operating profit</b>	<b>76,592</b>	<b>43,078</b>	<b>113,137</b>	<b>62,386</b>	<b>150,808</b>
Provision/release for credit impairment/IFRS 9	10,058	(13,693)	32,717	20,809	54,799
Gain/(loss) on foreclosed properties	(3,837)	(346)	(8,259)	(7,522)	(7,580)
Increase in fair value of investment property	-	-	-	-	11,760
<b>Profit for the quarter/year</b>	<b>82,813</b>	<b>29,039</b>	<b>137,595</b>	<b>75,673</b>	<b>209,787</b>
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified to profit or loss:</i>					
Remeasurements of post employment benefit obligation	-	-	-	-	(105,078)
Gain on foreclosed properties	-	-	-	-	(2,673)
Impact of adopting IFRS 9	(58,610)	-	-	-	-
<b>Other comprehensive income for the period/year</b>	<b>(58,610)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(107,751)</b>
<b>Total comprehensive income for the period/year</b>	<b>24,203</b>	<b>29,039</b>	<b>137,595</b>	<b>75,673</b>	<b>102,036</b>
Earnings per share (Rs)	4.14	1.45	6.88	3.78	10.49



# MAURITIUS HOUSING COMPANY LTD

## STATEMENT OF CHANGES IN EQUITY FOR PERIOD ENDED 30 JUNE 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	-	-	-	137,595	-	-	-	137,595
Dividend	-	-	-	(50,023)	-	-	-	(50,023)
At 30 June 2017	200,000	489,743	116,810	2,013,710	154,642	200,000	121,860	3,296,765
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	-	-	-	(58,610)	-	-	-	(58,610)
Restated opening balance	200,000	489,743	116,810	1,923,827	154,642	200,000	119,187	3,204,209
Profit for the period	-	-	-	82,813	-	-	-	82,813
Dividend	-	-	-	(41,957)	-	-	-	(41,957)
At 30 June 2018	200,000	489,743	116,810	1,964,683	154,642	200,000	119,187	3,245,065



MAURITIUS HOUSING COMPANY LTD

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

Annex 4

	30 June 2018	30 June 2017	Audited 31 December 2017
	Rs'000	Rs'000	Rs'000
<b>Cash flows from operating activities</b>			
Profit for the period/year	82,813	137,595	209,787
<i>Adjustments for:</i>			
Allowance for credit impairment	(10,058)	(32,717)	(55,424)
Depreciation	6,473	5,999	13,508
Amortisation	634	1,030	2,060
Loss/(Gain) on sale of foreclosed property	3,837	8,259	7,580
Increase in fair value of investment property	-	-	(11,760)
Interest in suspense	(2,144)	(7,090)	(9,462)
Profit on disposal of property and equipment	(15)	(4)	(4)
Provision for retirement benefit obligation	-	-	7,212
	<u>81,540</u>	<u>113,072</u>	<u>163,497</u>
<b>Change in operating assets and liabilities</b>			
Increase in other assets	(6,063)	(7,057)	(26,199)
Decrease/(increase) in treasury deposit	125,000	(75,000)	25,000
(Decrease)/increase in other liabilities	(15,751)	1,534	18,436
(Decrease)/increase in accrued interest payable	(10,278)	23,176	(17,821)
(Decrease)/increase in loans to customers	(261,918)	(250,729)	(402,666)
Increase/(decrease) in insurance funds	-	-	20,878
<b>Net cash used in operating activities</b>	<u>(169,010)</u>	<u>(308,076)</u>	<u>(218,875)</u>
<b>Cash flows from investing activities</b>			
Purchase of property and equipment	(1,685)	(893)	(6,723)
Purchase of intangible assets	(11,272)	(12,192)	(13,177)
Proceeds from disposal of property and equipment	15	4	4
<b>Net cash (used in)/generated from investing activities</b>	<u>(12,942)</u>	<u>(13,081)</u>	<u>(19,896)</u>
<b>Cash flows from financing activities</b>			
Housing deposits certificates (HDC)	109,585	135,807	228,271
Plan Epargne Logement Savings (PEL)	44,706	41,046	63,829
Repayments of borrowings	(52,849)	(50,919)	(83,611)
Dividends paid	-	-	(50,023)
<b>Net cash generated from/(used in) financing activities</b>	<u>101,442</u>	<u>125,934</u>	<u>158,466</u>
<b>Increase/(decrease) in cash and cash equivalents</b>	<u>1,030</u>	<u>(82,151)</u>	<u>(80,305)</u>
<b>Movement in cash and cash equivalents</b>			
Cash and cash equivalents as at 1 January	94,569	174,874	174,874
Increase/(decrease) in cash and cash equivalents	1,030	(82,151)	(80,305)
Cash and cash equivalents at 30 June/31 December	<u>95,599</u>	<u>92,723</u>	<u>94,569</u>
<b>Cash and cash equivalents</b>			
Cash at bank and in hand	96,725	116,645	97,433
Bank overdrafts and uncleared effects	(1,126)	(23,922)	(2,864)
	<u>95,599</u>	<u>92,723</u>	<u>94,569</u>



# MAURITIUS HOUSING COMPANY LTD

## Notes to Accounts

### 1 LOANS TO CUSTOMERS - SECURED

	30 June 2018	30 June 2017	Audited 31 December 2017
	Rs 000	Rs 000	Rs 000
Fast loans	2,720	3,172	3,093
Secured loans	7,795,159	7,380,851	7,532,867
Total loan advanced	7,797,879	7,384,023	7,535,960
Provision for Bad debts	-	-	-
Provision for credit losses (Note (b))	(622,772)	(596,931)	(574,224)
Interest suspended	(166,257)	(170,773)	(168,402)
	7,008,850	6,616,319	6,793,334
Analysed as follows:			
Current	440,634	429,962	440,634
Non-current	7,357,245	6,954,061	7,095,326
	7,797,879	7,384,023	7,535,960

#### (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	(35,695)	2,978	(32,717)
At 30 June 2017	537,130	59,801	596,931
At 1 January 2017	572,825	56,823	629,648
Movement during the year	(60,259)	4,835	(55,424)
At 31 December 2017	512,566	61,658	574,224
At 1 January 2018	512,566	61,658	574,224
Impact of adopting IFRS 9	63,367	(4,761)	58,606
Restated opening balance as per IFRS 9	575,933	56,897	632,830
Movement during the period	(12,277)	2,219	(10,058)
At 30 June 2018	563,656	59,116	622,772

### 2 BORROWINGS

	30 June 2018	30 June 2017	Audited 31 December 2017
	Rs'000	Rs'000	Rs'000
<b>Current</b>			
Bank overdrafts (secured)	1,126	23,922	2,864
Loan capital	9,067	9,483	9,067
Bank loans	83,333	83,333	83,333
	93,526	116,738	95,264
<b>Non-current</b>			
Loan capital	113,651	114,382	119,833
Bank loans	223,330	306,664	269,997
Loan - Government of Mauritius	11,162	11,162	11,162
	348,143	432,208	400,992
<b>Total borrowings</b>	441,669	548,946	496,256