



MAURITIUS HOUSING COMPANY LTD

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2017

Annex 1

Notes	30 June 2017	30 June 2016	Audited 31 December 2016
	Rs'000	Rs'000	Rs'000
<b>ASSETS</b>			
Cash and cash equivalents	591,645	766,110	580,745
Property development	2,405	-	2,405
Loans to customers	6,616,319	5,983,469	6,325,782
Investment property	104,240	104,240	104,240
Property and equipment	493,532	502,753	498,638
Intangible asset	48,579	35,121	37,417
Other assets	282,728	284,364	283,930
<b>Total assets</b>	<b>8,139,448</b>	<b>7,676,057</b>	<b>7,833,157</b>
<b>LIABILITIES</b>			
PEL & other savings accounts	1,731,967	1,680,128	1,696,990
Housing deposits certificates- HDC	2,228,117	1,982,096	2,063,065
Borrowings	548,946	640,236	581,814
Retirement benefit obligations	155,269	135,738	155,268
Other liabilities	102,162	93,014	50,605
<b>Total liabilities</b>	<b>4,766,461</b>	<b>4,531,212</b>	<b>4,547,742</b>
Insurance funds	76,222	76,222	76,222
<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	2,013,710	1,896,286	1,926,138
Statutory reserve	200,000	200,000	200,000
Other reserves	121,860	11,142	121,860
<b>Total equity</b>	<b>3,296,765</b>	<b>3,068,623</b>	<b>3,209,193</b>
<b>Total equity and liabilities</b>	<b>8,139,448</b>	<b>7,676,057</b>	<b>7,833,157</b>



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR PERIOD/YEAR ENDED 30 JUNE 2017

Annex 2

	6 Months to June 2017	3 Months to June 2017	6 Months to June 2016	3 Months to June 2016	Audited 31 December 2016
		Rs'000		Rs'000	Rs'000
Interest income	258,657	130,350	258,127	130,902	507,722
Interest expense	(91,983)	(46,800)	(102,561)	(50,963)	(197,083)
Interest suspended	7,090	4,817	5,377	1,524	15,906
<b>Net interest income</b>	<b>173,764</b>	<b>88,367</b>	<b>160,943</b>	<b>81,463</b>	<b>326,545</b>
Fee and commission income	14,129	6,544	9,417	4,664	20,438
Rent received	3,694	1,916	3,465	1,748	7,052
Policy fees and charges on loan	2,536	1,248	1,668	1,229	4,413
Other operating income	30,130	15,804	29,678	14,900	60,117
	<b>50,489</b>	<b>25,512</b>	<b>44,228</b>	<b>22,541</b>	<b>92,020</b>
<b>Operating income</b>	<b>224,253</b>	<b>113,879</b>	<b>205,171</b>	<b>104,004</b>	<b>418,565</b>
Personnel expenses	(67,994)	(31,276)	(64,358)	(28,908)	(146,642)
Depreciation and amortisation	(7,029)	(3,559)	(6,728)	(3,567)	(15,011)
Other expenses	(36,093)	(16,658)	(35,177)	(17,569)	(70,776)
<b>Non-interest expense</b>	<b>(111,116)</b>	<b>(51,493)</b>	<b>(106,263)</b>	<b>(50,044)</b>	<b>(232,429)</b>
<b>Operating profit</b>	<b>113,137</b>	<b>62,386</b>	<b>98,908</b>	<b>53,960</b>	<b>186,136</b>
Release of allowance for credit impairment	32,717	20,809	15,724	(2,877)	69,081
Gain/(loss) on foreclosed properties	(8,259)	(7,522)	(2,278)	449	(5,102)
Increase in fair value of investment property	-	-	-	-	-
Provision for other assets	-	-	-	-	-
<b>Profit for the year</b>	<b>137,595</b>	<b>75,673</b>	<b>112,354</b>	<b>51,532</b>	<b>250,115</b>
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified to profit or loss:</i>					
Remeasurements of post employment benefit obligations	-	-	-	-	(14,657)
Gain on revaluation of land & buildings	-	-	-	-	-
Gain on foreclosed properties	-	-	-	-	-
<b>Other comprehensive income for the period/year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14,657)</b>
<b>Total comprehensive income for the period/year</b>	<b>137,595</b>	<b>75,673</b>	<b>112,354</b>	<b>51,532</b>	<b>235,458</b>
Earnings per share (Rs)	<b>6.88</b>	<b>3.78</b>	<b>5.62</b>	<b>2.58</b>	<b>12.51</b>



MAURITIUS HOUSING COMPANY LTD

STATEMENT OF CHANGES IN EQUITY FOR PERIOD ENDED 30 JUNE 2017

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	Actuarial reserves Rs'000	Total Rs'000
At 1 January 2016	200,000	489,743	116,810	1,823,753	154,642	200,000	121,860	(110,718)	2,996,090
Profit for the period	-	-	-	112,354	-	-	-	-	112,354
Dividend	-	-	-	(39,821)	-	-	-	-	(39,821)
At 30 June 2016	<u>200,000</u>	<u>489,743</u>	<u>116,810</u>	<u>1,896,286</u>	<u>154,642</u>	<u>200,000</u>	<u>121,860</u>	<u>(110,718)</u>	<u>3,068,623</u>
At 1 January 2016 as previously stated	200,000	489,743	116,810	1,713,035	154,642	200,000	121,860	-	2,996,090
adjustment to property development	-	-	-	2,405	-	-	-	-	2,405
effect of adjustment on provision	-	-	-	15,061	-	-	-	-	15,061
As restated	<u>200,000</u>	<u>489,743</u>	<u>116,810</u>	<u>1,730,501</u>	<u>154,642</u>	<u>200,000</u>	<u>121,860</u>	<u>-</u>	<u>3,013,556</u>
Dividend	-	-	-	(39,821)	-	-	-	-	(39,821)
Profit for the year	-	-	-	250,115	-	-	-	-	250,115
Other comprehensive income	-	-	-	(14,657)	-	-	-	-	(14,657)
Total comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>235,458</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>235,458</u>
At 31 December 2016	<u>200,000</u>	<u>489,743</u>	<u>116,810</u>	<u>1,926,138</u>	<u>154,642</u>	<u>200,000</u>	<u>121,860</u>	<u>-</u>	<u>3,209,193</u>
At 1 January 2017	<u>200,000</u>	<u>489,743</u>	<u>116,810</u>	<u>1,926,138</u>	<u>154,642</u>	<u>200,000</u>	<u>121,860</u>	<u>-</u>	<u>3,209,193</u>
Profit for the period	-	-	-	137,595	-	-	-	-	137,595
Dividend	-	-	-	(50,023)	-	-	-	-	(50,023)
At 30 June 2017	<u>200,000</u>	<u>489,743</u>	<u>116,810</u>	<u>2,013,710</u>	<u>154,642</u>	<u>200,000</u>	<u>121,860</u>	<u>-</u>	<u>3,296,765</u>



MAURITIUS HOUSING COMPANY LTD

STATEMENT OF CASH FLOWS FOR THE PERIOD/YEAR ENDED 30 JUNE 2017

Annex 4

	30 June 2017	30 June 2016	Audited 31 December 2016
	Rs'000	Rs'000	Rs'000
<b>Cash flows from operating activities</b>			
Profit for the period/year	137,595	112,354	250,115
<i>Adjustments for:</i>			
Allowance for credit impairment	(32,717)	(15,724)	(69,081)
Depreciation	5,999	6,201	12,689
Amortisation	1,030	527	2,322
Loss/(Gain) on sale of foreclosed property	8,259	2,278	5,102
Profit on disposal of property development	-	(52)	(52)
Interest in suspense	(7,090)	(5,377)	(15,906)
Profit on disposal of property and equipment	(4)	(87)	(1,464)
Provision for retirement benefit obligation	-	-	4,873
	<u>113,072</u>	<u>100,120</u>	<u>188,598</u>
<b>Change in operating assets and liabilities</b>			
Increase in other assets	(7,057)	(15,642)	(18,032)
Increase/(decrease) in other liabilities	1,534	1,033	(1,556)
Increase/(decrease) in accrued interest payable	23,176	(52,090)	(31,010)
Increase in loans to customers	(250,729)	(29,340)	(292,707)
<b>Net cash used in operating activities</b>	<u>(233,076)</u>	<u>(96,039)</u>	<u>(343,305)</u>
<b>Cash flows from investing activities</b>			
Purchase of property and equipment	(893)	(3,470)	(5,843)
Purchase of intangible assets	(12,192)	(9,622)	(13,713)
Proceeds from disposal of property and equipment	4	87	1,464
Proceeds from disposal of property development	-	2,465	2,465
<b>Net cash (used in)/generated from investing activities</b>	<u>(13,081)</u>	<u>(10,540)</u>	<u>(15,627)</u>
<b>Cash flows from financing activities</b>			
Housing deposits certificates (HDC)	135,807	(36,617)	10,451
Plan Epargne Logement Savings (PEL)	41,046	58,340	88,024
Repayments of borrowings	(50,919)	(73,560)	(113,948)
Dividends paid	-	-	(39,821)
<b>Net cash generated from/(used in) financing activities</b>	<u>125,934</u>	<u>(51,837)</u>	<u>(55,294)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>	<u>(7,151)</u>	<u>(58,296)</u>	<u>(225,628)</u>
<b>Movement in cash and cash equivalents</b>			
Cash and cash equivalents as at 1 January	574,874	800,502	800,502
Increase/(decrease) in cash and cash equivalents	(7,151)	(58,296)	(225,628)
Cash and cash equivalents at 30 June/31 December	<u>567,723</u>	<u>742,206</u>	<u>574,874</u>
<b>Cash and cash equivalents</b>			
Cash at bank and in hand	591,645	766,110	580,745
Bank overdrafts and uncleared effects	(23,922)	(23,904)	(5,871)
	<u>567,723</u>	<u>742,206</u>	<u>574,874</u>



# MAURITIUS HOUSING COMPANY LTD

## Notes to Accounts

### 1 LOANS TO CUSTOMERS - SECURED

	<b>30 June 2017</b>	<b>30 June 2016</b>	<b>Audited 31 December 2016</b>
	<b>Rs 000</b>	<b>Rs 000</b>	<b>Rs 000</b>
Fast loans	3,172	3,592	3,510
Secured loans	<b>7,380,851</b>	6,866,335	7,129,784
Total loan advanced	<b>7,384,023</b>	6,869,927	7,133,294
Provision for Bad debts		-	-
Provision for credit losses (Note (b))	<b>(596,931)</b>	(694,500)	(629,648)
Interest suspended	<b>(170,773)</b>	(191,959)	(177,864)
	<b>6,616,319</b>	5,983,468	6,325,782
Analysed as follows:			
Current	<b>429,962</b>	421,973	429,962
Non-current	<b>6,954,061</b>	6,447,954	6,703,332
	<b>7,384,023</b>	6,869,927	7,133,294

#### (b) Provision for credit losses

	<b>Specific Provision</b>	<b>Portfolio Provision</b>	<b>Total</b>
	<b>Rs'000</b>	<b>Rs'000</b>	<b>Rs'000</b>
At 1 January 2016	656,942	53,282	710,224
Movement during the period	(16,479)	755	(15,724)
At 30 June 2016	<b>640,463</b>	<b>54,037</b>	<b>694,500</b>
At 1 January 2016	645,575	53,154	698,729
Movement during the year	(72,750)	3,669	(69,081)
At 31 December 2016	<b>572,825</b>	<b>56,823</b>	<b>629,648</b>
At 1 January 2017	<b>572,825</b>	<b>56,823</b>	<b>629,648</b>
Movement during the period	<b>(35,695)</b>	<b>2,978</b>	<b>(32,717)</b>
At 30 June 2017	<b>537,130</b>	<b>59,801</b>	<b>596,931</b>

### 2 BORROWINGS

	<b>30 June 2017</b>	<b>30 June 2016</b>	<b>Audited 31 December 2016</b>
	<b>Rs'000</b>	<b>Rs'000</b>	<b>Rs'000</b>
<b>Current</b>			
Bank overdrafts (secured)	<b>23,922</b>	23,904	5,871
Loan capital	<b>9,483</b>	9,329	9,483
Bank loans	<b>83,333</b>	111,250	83,333
	<b>116,738</b>	144,483	98,687
<b>Non-current</b>			
Loan capital	<b>114,382</b>	122,511	118,635
Bank loans	<b>306,664</b>	362,080	353,330
Loan - Government of Mauritius	<b>11,162</b>	11,162	11,162
	<b>432,208</b>	495,753	483,127
<b>Total borrowings</b>	<b>548,946</b>	640,236	581,814