



MAURITIUS HOUSING COMPANY LTD

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2018

Annex 1

Notes	31 March 2018	31 March 2017	Audited 31 December 2017
	Rs'000	Rs'000	Rs'000
ASSETS			
Cash and cash equivalents	166,153	134,268	97,433
Treasury deposit	350,000	400,000	375,000
Property development	2,405	2,405	2,405
Loans to customers	6,860,720	6,485,652	6,793,334
Investment property	116,000	104,240	116,000
Property and equipment	489,845	495,828	491,853
Intangible asset	59,489	36,950	48,534
Other assets	312,214	283,943	302,549
Total assets	8,356,826	7,943,286	8,227,108
LIABILITIES			
PEL & other savings accounts	1,753,799	1,721,270	1,744,007
Housing deposits certificates- HDC	2,408,495	2,068,380	2,290,327
Borrowings	492,840	599,970	496,256
Retirement benefit obligations	267,558	155,268	267,558
Other liabilities	96,705	101,052	69,041
Total liabilities	5,019,397	4,645,940	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	1,959,947	1,938,069	1,982,437
Statutory reserve	200,000	200,000	200,000
Other reserves	119,187	121,860	119,187
Total equity	3,240,329	3,221,124	3,262,819
Total equity and liabilities	8,356,826	7,943,286	8,227,108



MAURITIUS HOUSING COMPANY LTD

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR PERIOD/YEAR ENDED 31 MARCH 2018

Annex 2

	3 Months to March 2018	3 Months to March 2017	Audited 31 December 2017
	Rs'000	Rs'000	Rs'000
Interest income	115,912	128,306	509,149
Interest expense	(36,123)	(45,184)	(183,869)
Interest suspended	722	2,273	9,462
Net interest income	80,511	85,395	334,742
Fee and commission income	4,865	7,585	25,016
Rent received	1,756	1,778	7,349
Policy fees and charges on loan	1,429	1,288	5,055
Other operating income	16,655	14,326	40,151
	24,705	24,977	77,571
Operating income	105,216	110,372	412,313
Personnel expenses	(40,899)	(36,723)	(167,900)
Depreciation and amortisation	(3,523)	(3,469)	(15,568)
Other expenses	(26,135)	(19,397)	(78,037)
Non-interest expense	(70,557)	(59,589)	(261,505)
Operating profit	34,659	50,783	150,808
Provision/release for credit impairment/IFRS 9	23,751	11,909	54,799
Gain/(loss) on foreclosed properties	(3,490)	(738)	(7,580)
Increase in fair value of investment property	-	-	11,760
Profit for the quarter/year	54,920	61,954	209,787
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss:</i>			
Remeasurements of post employment benefit obligations	-	-	(105,078)
Gain on foreclosed properties	-	-	(2,673)
Impact of IFRS 9	(35,453)	-	-
Other comprehensive income for the period/year	(35,453)	-	(107,751)
Total comprehensive income for the period/year	19,467	61,954	102,036
Earnings per share (Rs)	2.75	3.10	10.49



MAURITIUS HOUSING COMPANY LTD

STATEMENT OF CHANGES IN EQUITY FOR PERIOD ENDED 31 MARCH 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	-	-	-	61,954	-	-	-	61,954
Dividend	-	-	-	(50,023)	-	-	-	(50,023)
At 31 March 2017	200,000	489,743	116,810	1,938,069	154,642	200,000	121,860	3,221,124
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
Adjustment for IFRS 9	-	-	-	(35,453)	-	-	-	(35,453)
Profit for the period	-	-	-	54,920	-	-	-	54,920
Dividend	-	-	-	(41,957)	-	-	-	(41,957)
At 31 March 2018	200,000	489,743	116,810	1,959,947	154,642	200,000	119,187	3,240,329



MAURITIUS HOUSING COMPANY LTD

STATEMENT OF CASH FLOWS FOR THE PERIOD/YEAR ENDED 31 MARCH 2018

Annex 4

	31 March 2018	31 March 2017	Audited 31 December 2017
	Rs'000	Rs'000	Rs'000
Cash flows from operating activities			
Profit for the period/year	54,920	61,954	209,787
<i>Adjustments for:</i>			
Allowance for credit impairment	(23,751)	(11,909)	(55,424)
Depreciation	3,205	2,950	13,508
Amortisation	317	519	2,060
Loss/(Gain) on sale of foreclosed property	3,490	738	7,580
Increase in fair value of investment property	-	-	(11,760)
Interest in suspense	(722)	(2,273)	(9,462)
Profit on disposal of property and equipment	(10)	-	(4)
Provision for retirement benefit obligation	-	-	7,212
	<u>37,449</u>	<u>51,979</u>	<u>163,497</u>
Change in operating assets and liabilities			
Increase in other assets	(13,155)	(750)	(26,199)
(Increase)/decrease in treasury deposit	25,000	-	25,000
(Decrease)/increase in other liabilities	(14,293)	422	18,436
(Decrease)/increase in accrued interest payable	(6,276)	18,562	(17,821)
(Decrease)/increase in loans to customers	(78,366)	(145,687)	(402,666)
Increase/(decrease) in insurance funds	-	-	20,878
Net cash used in operating activities	<u>(87,090)</u>	<u>(127,453)</u>	<u>(218,875)</u>
Cash flows from investing activities			
Purchase of property and equipment	(1,197)	(140)	(6,723)
Purchase of intangible assets	(11,272)	(52)	(13,177)
Proceeds from disposal of property and equipment	10	-	4
Net cash (used in)/generated from investing activities	<u>(12,459)</u>	<u>(192)</u>	<u>(19,896)</u>
Cash flows from financing activities			
Housing deposits certificates (HDC)	108,651	(9,300)	228,271
Plan Epargne Logement Savings (PEL)	25,585	20,333	63,829
Repayments of borrowings	(2,052)	(1,498)	(83,611)
Dividends paid	-	-	(50,023)
Net cash generated from/(used in) financing activities	<u>132,184</u>	<u>9,535</u>	<u>158,466</u>
Increase/(decrease) in cash and cash equivalents	<u>70,084</u>	<u>(66,131)</u>	<u>(80,305)</u>
Movement in cash and cash equivalents			
Cash and cash equivalents as at 1 January	94,569	174,874	174,874
Increase/(decrease) in cash and cash equivalents	70,084	(66,131)	(80,305)
Cash and cash equivalents at 31 March/31 December	<u>164,653</u>	<u>108,743</u>	<u>94,569</u>
Cash and cash equivalents			
Cash at bank and in hand	166,153	134,268	97,433
Bank overdrafts and uncleared effects	(1,500)	(25,525)	(2,864)
	<u>164,653</u>	<u>108,743</u>	<u>94,569</u>



MAURITIUS HOUSING COMPANY LTD

Notes to Accounts

1 LOANS TO CUSTOMERS - SECURED

	31 March 2018 Rs 000	31 March 2017 Rs 000	Audited 31 December 2017 Rs 000
Fast loans	2,989	3,349	3,093
Secured loans	7,611,337	7,275,632	7,532,867
Total loan advanced	7,614,326	7,278,981	7,535,960
Provision for Bad debts		-	-
Provision for credit losses (Note (b))	(585,926)	(617,739)	(574,224)
Interest suspended	(167,680)	(175,590)	(168,402)
	6,860,720	6,485,652	6,793,334
Analysed as follows:			
Current	440,634	429,962	440,634
Non-current	7,173,692	6,849,019	7,095,326
	7,614,326	7,278,981	7,535,960

(b) Provision for credit losses

	Specific Provision Rs'000	Portfolio Provision Rs'000	Total Rs'000
At 1 January 2017	572,825	56,823	629,648
Movement during the period	(13,462)	1,553	(11,909)
At 31 March 2017	559,363	58,376	617,739
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
Adjustment to opening balance- IFRS 9	-	35,453	35,453
Movement during the period	(24,923)	1,172	(23,751)
At 31 March 2018	487,643	98,283	585,926

(c) IFRS 9 Effective as from 01 January 2018

An Assessment has been carried out based on the number of account impaired for the last 12 years. An average probability of default has been arrived at 3.5%.

2 BORROWINGS

	31 March 2018 Rs'000	31 March 2017 Rs'000	Audited 31 December 2017 Rs'000
Current			
Bank overdrafts (secured)	1,500	25,525	2,864
Loan capital	9,067	9,483	9,067
Bank loans	83,333	83,333	83,333
	93,900	118,341	95,264
Non-current			
Loan capital	117,781	117,137	119,833
Bank loans	269,997	353,330	269,997
Loan - Government of Mauritius	11,162	11,162	11,162
	398,940	481,629	400,992
Total borrowings	492,840	599,970	496,256