

CAUDAN DEVELOPMENT LIMITED

ABRIDGED AUDITED FINANCIAL STATEMENTS

JUNE 30th 2019

CAUDAN
DEVELOPMENT



STATEMENTS OF FINANCIAL POSITION

	THE GROUP		THE COMPANY	
	30 Jun 19	30 Jun 18	30 Jun 19	30 Jun 18
MRs000				
Assets				
Non-current assets				
Investment property	4,723,269	4,142,153	4,398,442	3,841,567
Other non-current assets	360,653	248,807	134,965	60,107
	5,083,922	4,390,960	4,533,407	3,901,674
Current assets	105,933	154,037	226,276	271,614
Total assets	5,189,855	4,544,997	4,759,683	4,173,288
Equity and liabilities				
Capital and reserves attributable to owners of the parent				
Share capital	2,000,000	2,000,000	2,000,000	2,000,000
Other reserves	(19)	(172)	-	-
Retained earnings	2,087,430	1,958,312	1,611,137	1,501,646
Total equity	4,087,411	3,958,140	3,611,137	3,501,646
Liabilities				
Non-current liabilities				
Borrowings	520,000	-	520,000	-
Other non-current liabilities	246,148	193,865	157,488	124,924
	766,148	193,865	677,488	124,924
Current liabilities				
Borrowings	85,694	48,385	76,016	53,432
Other current liabilities	250,602	344,607	395,042	493,286
	336,296	392,992	471,058	546,718
Total liabilities	1,102,444	586,857	1,148,546	671,642
Total equity and liabilities	5,189,855	4,544,997	4,759,683	4,173,288
MRs				
Net assets per share	2.04	1.98	1.81	1.75
No.000				
Number of shares	2,000,000	2,000,000	2,000,000	2,000,000

STATEMENTS OF CASH FLOWS

	THE GROUP		THE COMPANY	
	30 Jun 19	30 Jun 18	30 Jun 19	30 Jun 18
MRs000				
Net cash generated from operating activities	56,057	161,722	57,887	117,483
Net cash used in investing activities	(531,499)	(269,843)	(519,923)	(218,022)
Net cash generated from financing activities	440,000	59,579	453,150	52,058
Net decrease in cash and cash equivalents	(35,442)	(48,542)	(8,886)	(48,481)
Cash and cash equivalents at beginning of the year	(48,105)	305	(48,235)	165
Effect of foreign exchange rate changes	(28)	132	-	81
Cash and cash equivalents at end of the year	(83,575)	(48,105)	(57,121)	(48,235)
Analysis of cash and cash equivalents disclosed above				
Bank and cash balances	2,119	280	695	147
Bank overdrafts	(85,694)	(48,385)	(57,816)	(48,382)
	(83,575)	(48,105)	(57,121)	(48,235)
Notes				

The abridged financial statements have been audited by Messrs BDO & Co, Chartered Accountants and have been extracted from the audited financial statements for the year ended June 30th 2019 which have been prepared in compliance with the Companies Act 2001 and in accordance with International Financial Reporting Standards (IFRSs) effective for the year under review.

Results

Our profit for the year stood at MRs 218.8m (2018: MRs 103.6m). Our results, however, include a positive adjustment of MRs 159.7m in respect of the revaluation of Investment Property net of related deferred tax. These adjustments are unrealised and have no impact on the cash flows of the business or its present strategic directions. After excluding these items, underlying profit stood at MRs 55.3m vis a vis last year's MRs 96.6m. This was attributable to the start up operations of the Caudan Arts Centre and catering activities and finance costs incurred versus finance income generated by the surplus cash position during the greater part of last year and the prior year benefitting from the impact of bad debts recovered. Our operations continued to be adversely affected by higher levels of vacancy in line with our repositioning and tenant mix strategy. The future prospects look better as we have secured some new tenants and new leads. Operations at the Caudan Arts Centre and in our F&B department are gradually picking up and we remain confident that with our exceptional assets, we will be able to enhance return and long term earnings growth.

Indebtedness

Net debt at June 30th 2019 stood at MRs 603.6m compared to MRs48.1m at the beginning of the year, in line with capital expenditure incurred in respect of Phase III construction works.

Earnings per share

The earnings per share has been calculated based on:

	THE GROUP	
	Year ended 30 Jun 19	Year ended 30 Jun 18
MRs000		
Group profit attributable to owners of the parent	218,772	103,584
Weighted average number of shares in issue during the year (thousands)	2,000,000	2,000,000
Adjusted earnings per share is calculated on the basis of the group profit for the year excluding net gain from fair value adjustment on investment property and gain on remeasurement of equity interests divided by the number of shares in issue and ranking for dividends.		
Profit attributable to owners of the parent	218,772	103,584
Net gain from fair value adjustment on investment property (net of deferred tax)	(159,676)	(7,000)
Gain on remeasurement of equity interests	(3,708)	-
Adjusted earnings attributable to owners of the parent	55,388	96,584

The statement of direct and indirect interests of officers pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request, free of charge, from Caudan Development Limited, c/o Promotion and Development Ltd, 8th Floor, Dias Pier, Le Caudan Waterfront, Port Louis.

These abridged audited financial statements were approved for issue by the Board of Directors on September 27th 2019.

By order of the board

MCB Group Corporate Services Ltd
September 27th 2019

These abridged audited financial statements are issued pursuant to listing rule 12.14 and section 88 of the Securities Act 2005.

The Board of Directors of Caudan Development Limited accepts full responsibility for the accuracy of the information contained in these abridged audited financial statements.

Copies of the abridged and full audited financial statements are available, upon request from the secretary, free of charge, at Caudan Development Limited, c/o Promotion and Development Ltd, 8th Floor, Dias Pier, Le Caudan Waterfront, Port Louis..

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	THE GROUP		THE COMPANY	
	30 Jun 19	30 Jun 18	30 Jun 19	30 Jun 18
MRs000				
Revenue	503,309	481,870	205,796	196,370
Operating expenses	(420,077)	(363,131)	(141,918)	(106,488)
Operating profit	83,232	118,739	63,878	89,882
Net gain from fair value adjustment on investment property	197,168	12,786	172,927	12,801
Gain on remeasurement of equity interests	3,708	-	-	-
Profit before finance costs and impairment on financial assets	284,108	131,525	236,805	102,683
Net finance (costs)/income	(21,255)	2,738	(10,809)	11,430
Net impairment on financial assets	(6,472)	6,024	(2,368)	6,582
Profit before income tax	256,381	140,287	223,628	120,695
Taxation	(37,609)	(36,703)	(32,009)	(27,552)
Profit for the year attributable to owners of the parent	218,772	103,584	191,619	93,143
Other comprehensive income:				
Items that will not be reclassified to profit or loss:				
Remeasurement of retirement benefit obligations, net of deferred tax	(4,312)	(462)	(1,412)	(713)
Items that may be reclassified subsequently to profit or loss:				
Exchange difference on translating foreign operations	153	(7)	-	-
Other comprehensive income for the year attributable to owners of the parent	(4,159)	(469)	(1,412)	(713)
Total comprehensive income for the year attributable to owners of the parent	214,613	103,115	190,207	92,430
MRs				
Earnings per share	0.109	0.052		
Adjusted earnings per share	0.028	0.048		

STATEMENTS OF CHANGES IN EQUITY

	Share Capital	Other Reserves	Retained Earnings	Total Equity
	MRs000			
Attributable to owners of the parent				
THE GROUP				
At July 1st 2017	2,000,000	(165)	1,935,190	3,935,025
Profit for the year	-	-	103,584	103,584
Dividends	-	-	(80,000)	(80,000)
Other comprehensive income for the year	-	(7)	(462)	(469)
At June 30th 2018	2,000,000	(172)	1,958,312	3,958,140
At July 1st 2018 (as previously reported)	2,000,000	(172)	1,958,312	3,958,140
Adjustment on initial application of IFRS 9-Financial Instruments	-	-	(5,342)	(5,342)
At July 1st 2018 (as restated)	2,000,000	(172)	1,952,970	3,952,798
Profit for the year	-	-	218,772	218,772
Dividends	-	-	(80,000)	(80,000)
Other comprehensive income for the year	-	153	(4,312)	(4,159)
At June 30th 2019	2,000,000	(19)	2,087,430	4,087,411
THE COMPANY				
At July 1st 2017	2,000,000	-	1,489,216	3,489,216
Profit for the year	-	-	93,143	93,143
Dividends	-	-	(80,000)	(80,000)
Other comprehensive income for the year	-	-	(713)	(713)
At June 30th 2018	2,000,000	-	1,501,646	3,501,646
At July 1st 2018 (as previously reported)	2,000,000	-	1,501,646	3,501,646
Adjustment on initial application of IFRS 9-Financial Instruments	-	-	(716)	(716)
At July 1st 2018 (as restated)	2,000,000	-	1,500,930	3,500,930
Profit for the year	-	-	191,619	191,619
Dividends	-	-	(80,000)	(80,000)
Other comprehensive income for the year	-	-	(1,412)	(1,412)
At June 30th 2019	2,000,000	-	1,611,137	3,611,137
Segment Reporting	Property	Security	Eliminations	Total
MRs000				
June 30th 2019				
External sales	247,680	255,629	-	503,309
Intersegment sales	4,800	27,691	(32,491)	-
Total revenue	252,480	283,320	(32,491)	503,309
Segment result	78,655	5,551	(974)	83,232
June 30th 2018				
External sales	237,798	244,072	-	481,870
Intersegment sales	4,800	18,151	(22,951)	-
Total revenue	242,598	262,223	(22,951)	481,870
Segment result	118,633	106	-	118,739