

# CAUDAN DEVELOPMENT LIMITED

ABRIDGED AUDITED FINANCIAL STATEMENTS

JUNE 30th 2021

CAUDAN  
DEVELOPMENT



## STATEMENTS OF FINANCIAL POSITION

	THE GROUP		THE COMPANY	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
<b>MRs000</b>				
<b>Assets</b>				
<b>Non-current assets</b>				
Investment property	4,639,616	4,679,132	4,500,891	4,354,305
Other non-current assets	328,822	367,456	125,746	160,504
	4,968,438	5,046,588	4,626,637	4,514,809
<b>Current assets</b>				
	124,096	118,893	247,596	235,371
<b>Total assets</b>	5,092,534	5,165,481	4,874,233	4,750,180
<b>Equity and liabilities</b>				
<b>Capital and reserves attributable to owners of the parent</b>				
Share capital	2,000,000	2,000,000	2,000,000	2,000,000
Retained earnings	2,144,850	2,087,393	1,833,574	1,605,887
<b>Total equity</b>	4,144,850	4,087,393	3,833,574	3,605,887
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Borrowings	522,000	520,000	522,000	520,000
Other non-current liabilities	236,118	277,817	191,811	200,389
	758,118	797,817	713,811	720,389
<b>Current liabilities</b>				
Borrowings	64,006	136,030	64,006	140,005
Other current liabilities	125,560	144,241	262,842	283,899
	189,566	280,271	326,848	423,904
<b>Total liabilities</b>	947,684	1,078,088	1,040,659	1,144,293
<b>Total equity and liabilities</b>	5,092,534	5,165,481	4,874,233	4,750,180
<b>MRs</b>				
Net asset value per share	2.07	2.04	1.92	1.80
<b>No.000</b>				
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 21	30 Jun 20	30 Jun 21	30 Jun 20
<b>MRs000</b>				
<b>Net cash generated from operating activities</b>	57,202	40,048	42,205	16,244
<b>Net cash generated from/(used in) investing activities</b>	21,257	(5,305)	39,178	5,878
<b>Net cash generated from/(used in) financing activities</b>	45,218	(70,282)	22,018	(65,282)
<b>Net increase/(decrease) in cash and cash equivalents</b>	123,677	(35,539)	103,401	(43,160)
Cash and cash equivalents at beginning of the year	(119,137)	(83,575)	(100,281)	(57,121)
Effect of foreign exchange rate changes	308	(23)	308	-
<b>Cash and cash equivalents at end of the year</b>	4,848	(119,137)	3,428	(100,281)
<b>Analysis of cash and cash equivalents disclosed above</b>				
Bank and cash balances	7,154	2,793	5,734	2,424
Bank overdrafts	(2,306)	(121,930)	(2,306)	(102,705)
	4,848	(119,137)	3,428	(100,281)
<b>Notes</b>				
The abridged financial statements have been audited by Ernst & Young and have been extracted from the audited financial statements for the year ended June 30th 2021 which have been prepared in compliance with the Companies Act 2001 and in accordance with International Financial Reporting Standards (IFRSs) for the year under review.				
<b>Results</b>				
Our profit for the year stood at MRs52.9m (2020: MRs5.0m). Our results, however, were enhanced by fair value gains net of related deferred tax of MRs61.9m in respect of the revaluation of Investment Property. Note however, that these adjustments are unrealised and have no impact on the cash flows of the business or its present strategic directions. After excluding fair value gains and the impairment charges in respect of goodwill, the group registered a loss of MRs4.2m vis a vis last year's profit of MRs10.6m. Our results continued to be affected by the aftermath of the two lockdowns, absence of tourists and generally the economic downturn. Our property operations suffered as a result of high vacancy levels, extended rent reliefs and rebates granted, increased impairment charges in line with the continued uncertainties and fragility prevailing in the local economy. Our security segment also registered a reduced profitability on the back of some service terminations and decreased activity as clients chose to suspend or defer investments in view of the difficult economic conditions. A drop in our finance costs reflecting the declining interest rate environment however contributed to alleviate the ongoing effects of the pandemic.				
<b>Outlook</b>				
We expect trading conditions to remain challenging due to the uncertainty surrounding Covid-19 and resurgent infections. Notwithstanding, we remain confident that with our exceptional unique assets, we will be able to enhance return and long term earnings growth. Management is actively working on increasing foot traffic, improving our tenant mix offering whilst at the same time achieving operational efficiencies. A strategy has been established for the repositioning of Le Caudan Waterfront, which will be implemented by the team and which will gradually kick in, starting with events organized for the celebration of our 25th anniversary in November this year.				
<b>Basic and diluted earnings per share</b>				
The earnings per share has been calculated based on:				

	THE GROUP	
	Year ended 30 Jun 21	Year ended 30 Jun 20
<b>MRs000</b>		
Profit attributable to owners of the parent	52,870	5,029
Weighted average number of shares in issue during the year (thousands)	2,000,000	2,000,000
Adjusted (loss)/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 impairment of goodwill divided by the number of shares in issue and ranking for dividends.		
Profit attributable to owners of the parent	52,870	5,029
Net gain from fair value adjustment on investment property (net of deferred tax)	(61,896)	-
Impairment of goodwill	4,864	5,571
Adjusted (loss)/earnings attributable to owners of the parent	(4,162)	10,600

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	THE GROUP		THE COMPANY	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
<b>MRs000</b>				
Revenue	475,214	517,543	184,315	211,338
Operating expenses	(433,846)	(446,869)	(150,175)	(170,620)
Operating profit	41,368	70,674	34,140	40,718
Net gain from fair value adjustment on investment property	21,955	-	208,057	-
Profit before finance costs, impairment on financial assets and impairment on goodwill	63,323	70,674	242,197	40,718
Net finance costs	(26,831)	(36,047)	(17,222)	(24,126)
Net impairment on financial assets	(13,905)	(6,093)	(2,976)	(3,097)
Impairment of goodwill	(4,864)	(5,571)	-	-
Profit before income tax	17,723	22,963	221,999	13,495
Taxation	35,147	(17,934)	4,773	(11,315)
Profit for the year attributable to owners of the parent	52,870	5,029	226,772	2,180
<b>Other comprehensive income:</b>				
<b>Items that will not be reclassified to profit or loss:</b>				
Remeasurement of retirement benefit obligations, net of deferred tax	4,587	596	915	(1,787)
Other comprehensive income for the year attributable to owners of the parent	4,587	596	915	(1,787)
Total comprehensive income for the year attributable to owners of the parent	57,457	5,625	227,687	393
<b>MRe</b>				
Basic and diluted earnings per share	0.0264	0.0025		
Adjusted (loss)/earnings per share	(0.0021)	0.0053		

## STATEMENTS OF CHANGES IN EQUITY

	Share Capital	Other Reserves	Retained Earnings	Total Equity
<b>MRs000</b>				
<b>Attributable to owners of the parent</b>				
<b>THE GROUP</b>				
At July 1st 2019	2,000,000	(19)	2,081,787	4,081,768
Profit for the year	-	-	5,029	5,029
Transfer from reserve	-	19	(19)	-
Other comprehensive income	-	-	596	596
At June 30th 2020	2,000,000	-	2,087,393	4,087,393
<b>At July 1st 2020</b>				
At July 1st 2020	2,000,000	-	2,087,393	4,087,393
Profit for the year	-	-	52,870	52,870
Other comprehensive income	-	-	4,587	4,587
<b>At June 30th 2021</b>	2,000,000	-	2,144,850	4,144,850
<b>THE COMPANY</b>				
At July 1st 2019	2,000,000	-	1,605,494	3,605,494
Profit for the year	-	-	2,180	2,180
Other comprehensive income	-	-	(1,787)	(1,787)
At June 30th 2020	2,000,000	-	1,605,887	3,605,887
<b>At July 1st 2020</b>				
At July 1st 2020	2,000,000	-	1,605,887	3,605,887
Profit for the year	-	-	226,772	226,772
Other comprehensive income	-	-	915	915
<b>At June 30th 2021</b>	2,000,000	-	1,833,574	3,833,574
<b>Segment Reporting</b>				
	Property	Security	Inter-segment adjustments and eliminations	Total
<b>MRs000</b>				
<b>June 30th 2021</b>				
External sales	217,850	257,364	-	475,214
Intersegment sales	4,845	21,129	(25,974)	-
Total revenue	222,695	278,493	(25,974)	475,214
<b>Segment result</b>				
	35,687	6,163	(482)	41,368
<b>June 30th 2020</b>				
External sales	253,310	264,233	-	517,543
Intersegment sales	4,800	23,021	(27,821)	-
Total revenue	258,110	287,254	(27,821)	517,543
<b>Segment result</b>				
	57,661	13,566	(553)	70,674

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, at 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 28th 2021.

By order of the board

MCB Group Corporate Services Ltd  
Secretary

September 28th 2021

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 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.