

CAUDAN DEVELOPMENT LIMITED

ABRIDGED AUDITED FINANCIAL STATEMENTS

JUNE 30th 2022

CAUDAN
DEVELOPMENT



STATEMENTS OF FINANCIAL POSITION

	THE GROUP		THE COMPANY	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
MRs000				
Assets				
Non-current assets				
Investment property	4,822,521	4,639,616	4,686,521	4,500,891
Other non-current assets	336,183	328,822	132,004	125,746
	5,158,704	4,968,438	4,818,525	4,626,637
Current assets				
	179,916	124,096	333,804	247,596
Total assets	5,338,620	5,092,534	5,152,329	4,874,233
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
Retained earnings	2,311,485	2,144,850	2,021,447	1,833,574
Total equity	4,311,485	4,144,850	4,021,447	3,833,574
Liabilities				
Non-current liabilities				
Borrowings	534,000	522,000	534,000	522,000
Other non-current liabilities	280,743	236,118	231,743	191,811
	814,743	758,118	765,743	713,811
Current liabilities				
Borrowings	59,573	64,006	79,536	64,006
Other current liabilities	152,819	125,560	285,603	262,842
	212,392	189,566	365,139	326,848
Total liabilities	1,027,135	947,684	1,130,882	1,040,659
Total equity and liabilities	5,338,620	5,092,534	5,152,329	4,874,233
MRs				
Net asset value per share	2.16	2.07	2.01	1.92
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 22	30 Jun 21	30 Jun 22	30 Jun 21
MRs000				
Net cash generated from operating activities	47,134	55,260	44,180	40,263
Net cash (used in)/generated from investing activities	(70,007)	43,057	(64,952)	39,178
Net cash (used in)/generated from financing activities	(17,350)	25,360	(10,450)	23,960
Net (decrease)/increase in cash and cash equivalents	(40,223)	123,677	(31,222)	103,401
Cash and cash equivalents at beginning of the year	4,848	(119,137)	3,428	(100,281)
Effect of foreign exchange rate changes	437	308	315	308
Cash and cash equivalents at end of the year	(34,938)	4,848	(27,479)	3,428
Analysis of cash and cash equivalents disclosed above				
Bank and cash balances	11,935	7,154	10,657	5,734
Bank overdrafts	(46,873)	(2,306)	(38,136)	(2,306)
	(34,938)	4,848	(27,479)	3,428

Notes

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 2022 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.

Results

Our profit for the year stood at MRs169.8m (2021: MRs52.9m). Our results, however, were boosted by fair value gains net of deferred tax of MRs151.6m in respect of revaluation of Investment Property. Note that these adjustments are unrealised and have no impact on the cash flows of the business.

After excluding the fair value gains, the underlying group profit stood at MRs18.2m vis a vis a loss of MRs4.2m in 2021. The retail business, however, continued to be impacted by the ongoing economic slowdown and slow resumption of tourists during the year under review. The fire outbreak which occurred at the craft market of Le Caudan Waterfront in November 2021 and led to the closure of the Barkly Wharf building has had a negative effect on the mall though the financial impact in terms of loss of rent and reinstatement costs are fully covered under our insurance policy.

Costs incurred as a result of one-off renovation/fit-out works and the repositioning and retenuing strategy were mitigated by reduced impairment charges and lower losses registered by Caudan Arts Centre (CAC) and the F&B department. The drop in finance costs also led to the improved performance.

Other income relates to claim receivable under our insurance policy in respect of rent remissions granted to tenants for the period during which they were deprived of occupation.

The security segment, for its part, posted a negative contribution on the back of termination of some guarding and service contracts in view of the difficult economic conditions.

Outlook

The reinstatement, rebuilding and renovation works of the new Barkly Wharf building are progressing well as per schedule with expected completion before the end of this calendar year. We remain positive that with our exceptional unique assets, we will be able to enhance return and long term earnings growth as tourism picks up, the implementation of the repositioning strategy kicks in and foot fall recovers. Management is also actively working on improving the tenant mix offering and renovations to improve further the customer experience whilst at the same time monitoring closely the cost base to achieve operational efficiencies.

Basic and diluted earnings per share

The earnings per share has been calculated based on:

	THE GROUP		THE COMPANY	
	Year ended	Year ended	Year ended	Year ended
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
MRs000				
Profit attributable to owners of the parent	169,831	52,870	169,831	52,870
Weighted average number of shares in issue during the year (thousands)	2,000,000	2,000,000	2,000,000	2,000,000
Adjusted earnings / (loss) per share is calculated on the basis of the group profit for the year excluding net gain from fair value 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	169,831	52,870	169,831	52,870
Net gain from fair value on investment property (net of deferred tax)	(151,612)	(61,896)	(151,612)	(61,896)
Impairment of goodwill	-	4,864	-	4,864
Adjusted earnings/(loss) attributable to owners of the parent	18,219	(4,162)	18,219	(4,162)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	THE GROUP		THE COMPANY	
	30 Jun 22	30 Jun 21	30 Jun 22	30 Jun 21
MRs000				
Revenue	478,191	475,214	184,461	184,315
Operating expenses	(460,884)	(433,846)	(164,832)	(150,175)
Operating profit	17,307	41,368	19,629	34,140
Net gain from fair value on investment property	182,665	21,955	185,390	208,057
Other income	41,398	-	39,928	-
Profit before finance costs, impairment on financial assets and impairment on goodwill	241,370	63,323	244,947	242,197
Net impairment on financial assets	(6,293)	(13,905)	(1,181)	(2,976)
Net finance costs	(23,326)	(26,831)	(13,208)	(17,222)
Impairment of goodwill	-	(4,864)	-	-
Profit before income tax	211,751	17,723	230,558	221,999
Taxation	(41,920)	35,147	(42,686)	4,773
Profit for the year attributable to owners of the parent	169,831	52,870	187,872	226,772
Other comprehensive income:				
Items that will not be reclassified to profit or loss:				
Remeasurement of retirement benefit obligations, net of deferred tax	(3,196)	4,587	1	915
Other comprehensive income for the year attributable to owners of the parent	(3,196)	4,587	1	915
Total comprehensive income for the year attributable to owners of the parent	166,635	57,457	187,873	227,687
MRe				
Basic and diluted earnings per share	0.0849	0.0264		
Adjusted earnings/(loss) per share	0.0091	(0.0021)		

STATEMENTS OF CHANGES IN EQUITY

	Share Capital	Retained Earnings	Total Equity
MRs000			
Attributable to owners of the parent			
THE GROUP			
At July 1st 2020	2,000,000	2,087,393	4,087,393
Profit for the year	-	52,870	52,870
Other comprehensive income for the year	-	4,587	4,587
At June 30th 2021	2,000,000	2,144,850	4,144,850
THE COMPANY			
At July 1st 2021	2,000,000	2,144,850	4,144,850
Profit for the year	-	169,831	169,831
Other comprehensive income for the year	-	(3,196)	(3,196)
At June 30th 2022	2,000,000	2,311,485	4,311,485
THE COMPANY			
At July 1st 2020	2,000,000	1,605,887	3,605,887
Profit for the year	-	226,772	226,772
Other comprehensive income for the year	-	915	915
At June 30th 2021	2,000,000	1,833,574	3,833,574
At July 1st 2021	2,000,000	1,833,574	3,833,574
Profit for the year	-	187,872	187,872
Other comprehensive income for the year	-	1	1
At June 30th 2022	2,000,000	2,021,447	4,021,447

Segment Reporting

	Property	Security	Eliminations	Total
MRs000				
June 30th 2022				
External sales	221,069	257,122	-	478,191
Intersegment sales	4,800	20,227	(25,027)	-
Total revenue	225,869	277,349	(25,027)	478,191
Segment result	24,353	(6,625)	(422)	17,307
June 30th 2021				
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
Segment result	35,687	6,163	(482)	41,368

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 26th 2022.

By order of the board

MCB Group Corporate Services Ltd
Secretary

September 26th 2022

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.