

SUMMARY STATEMENT OF FINANCIAL POSITION

	30-Jun-20 Rs.	30-Jun-19 Rs.	30-Jun-18 Rs.
ASSETS			
Cash and cash equivalents	393,127,366	98,801,232	394,406,948
Deposits with financial institutions	57,676,671	110,931,181	228,057,667
Net lease receivables	3,294,472,252	3,479,176,558	3,503,306,982
Investment Securities	446,259,692	198,704,604.00	-
Plant and equipment	674,033,932	694,910,041	592,372,209
Intangible assets	21,294,205	24,706,330	26,048,834
Current tax assets	10,601,266	7,387,534.00	-
Other assets	75,652,257	62,235,315	43,210,642
Total assets	4,973,117,641	4,676,852,795	4,787,403,282
LIABILITIES			
Deposits from customers	4,142,772,266	3,772,427,151	3,718,723,176
Borrowings	44,663,769	158,343,883	324,460,586
Current tax liabilities	-	-	8,126,179
Deferred tax liabilities	17,049,658	16,232,862	18,011,193
Other liabilities	115,899,221	79,779,747	102,317,454
Total liabilities	4,320,384,914	4,026,783,643	4,171,638,588
SHAREHOLDERS' EQUITY			
Share capital	400,000,000	400,000,000	400,000,000
General risk reserve	-	-	19,657,776
Statutory reserve	117,226,945	109,177,409	95,584,347
Retained earnings	135,505,782	140,891,743	100,522,571
Total equity	652,732,727	650,069,152	615,764,694
Total equity and liabilities	4,973,117,641	4,676,852,795	4,787,403,282

SUMMARY STATEMENT OF CHANGES IN EQUITY

	Share Capital Rs.	General Risk Reserve Rs.	Statutory Reserve Rs.	Retained Earnings Rs.	Total Rs.
Balance at July 1, 2017	200,000,000	19,657,776	86,144,034	87,027,458	392,829,268
Profit and total comprehensive income for the year	-	-	-	62,935,426	62,935,426
Transactions with owner of the Company					
– Dividends	-	-	-	(40,000,000)	(40,000,000)
Issue of non-cumulative preference shares	200,000,000	-	-	-	200,000,000
Statutory appropriations of retained earnings	-	-	9,440,313	(9,440,313)	-
Balance at June 30, 2018	<u>400,000,000</u>	<u>19,657,776</u>	<u>95,584,347</u>	<u>100,522,571</u>	<u>615,764,694</u>
Balance at July 1, 2018	400,000,000	19,657,776	95,584,347	100,522,571	615,764,694
Impact of adopting IFRS 9					
– Expected Credit Losses	-	-	-	(16,315,956)	(16,315,956)
– Reversal of General Risk Reserve	-	(19,657,776)	-	19,657,776	-
Restated Balance at July 1, 2018	400,000,000	-	95,584,347	103,864,391	599,448,738
Profit and total comprehensive income for the year	-	-	-	90,620,414	90,620,414
Transactions with owner of the Company					
– Dividends	-	-	-	(40,000,000)	(40,000,000)
Statutory appropriations of retained earnings	-	-	13,593,062	(13,593,062)	-
Balance at June 30, 2019	<u>400,000,000</u>	<u>-</u>	<u>109,177,409</u>	<u>140,891,743</u>	<u>650,069,152</u>
Balance at June 30, 2019	400,000,000	-	109,177,409	140,891,743	650,069,152
Profit and total comprehensive income for the year	-	-	-	53,663,575	53,663,575
Transactions with owner of the Company					
– Dividends	-	-	-	(51,000,000)	(51,000,000)
Statutory appropriations of retained earnings	-	-	8,049,536	(8,049,536)	-
Balance at June 30, 2020	<u>400,000,000</u>	<u>-</u>	<u>117,226,945</u>	<u>135,505,782</u>	<u>652,732,727</u>

SUMMARY STATEMENT OF CASH FLOWS

	30-Jun-20 Rs.	30-Jun-19 Rs.	30-Jun-18 Rs.
Profit before income tax	54,480,371	97,365,759	76,063,058
Adjustments for :			
Loss/(profit) on disposal of plant and equipment	(2,704,967)	367,355	185,332
(Profit)/loss on disposal of repossessed leased assets	3,215,971	2,763,632	(423,084)
Amortisation	4,009,428	3,617,510	4,029,082
Depreciation	156,421,237	135,449,666	132,564,038
Write off of plant and equipment		-	-
Net impairment of financial assets	9,717,684	6,104,672	17,846,039
Increase in interest receivable	53,254,510	16,906,406	(7,254,863)
Increase/(Decrease) in interest payable	40,037,096	35,828,745	-
Decrease/(Increase) in other assets	(23,240,909)	(36,160,107)	13,088,234
(Decrease)/Increase in other liabilities	36,119,475	(25,449,745)	(2,844,300)
Changes in operating assets and liabilities:			
Net decrease/(increase) in investment in finance leases	174,986,622	10,745,081	271,588,550
Net (decrease)/increase in deposits	330,308,020	17,875,230	(83,275,054)
Cash generated from operations	836,604,538	265,414,204	421,567,032
Tax paid	(3,213,732)	(20,695,567)	(9,189,638)
Net cash generated from operating activities	833,390,806	244,718,637	412,377,394
Cash flows from investing activities			
Deposits with financial institutions	-	100,000,000	-
Investment in Securities	(247,555,088)	(198,726,783)	-
Proceeds from sale of repossessed leased assets	6,607,996	5,345,000	6,267,390
Proceeds from sale of plant and equipment	77,060,828	67,436,474	63,273,568
Purchase of intangible assets	(597,304)	(2,275,006)	-
Purchase of plant and equipment	(209,900,988)	(305,791,328)	(188,106,686)
Net cash used in investing activities	(374,384,556)	(334,011,643)	(118,565,728)
Cash flows from financing activities			
Dividends paid	(51,000,000)	(40,000,000)	(40,000,000)
Payments on long term borrowings	(113,680,115)	(205,859,350)	(237,833,670)
Payment on shareholders' loan	-	-	(145,571,251)
Proceeds from short term borrowings	-	(420,000,000)	-
Payments on short term borrowings	-	459,742,647	40,000,000
Proceeds from issue of preference shares	-	-	200,000,000
Net cash used in financing activities	(164,680,115)	(206,116,703)	(183,404,921)
Increase/(decrease) in cash and cash equivalents	294,326,135	(295,409,708)	110,406,745
Movement in cash and cash equivalents			
At July 1,	98,801,232	394,406,948	284,000,203
Effect of adoption of IFRS9 on Cash and Cash Equivalents	-	(196,008)	-
Increase/(Decrease)	294,326,135	(295,409,708)	110,406,745
At June 30,	393,127,367	98,801,232	394,406,948

SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	30-Jun-20 Rs.	30-Jun-19 Rs.	30-Jun-18 Rs.
Interest income	261,356,918	274,377,522	288,681,080
Interest expense	(179,870,004)	(176,293,044)	(200,944,451)
Net interest income	81,486,914	98,084,478	87,736,629
Operating lease income	196,864,499	185,213,740	175,695,996
Processing fees	7,787,000	9,348,269	7,606,012
Other operating income	13,206,297	16,964,246	11,700,438
	217,857,796	211,526,255	195,002,446
Operating income	299,344,710	309,610,733	282,739,075
Net impairment of financial assets	(9,717,684)	(6,104,672)	(17,846,039)
Personnel expenses	(44,749,946)	(38,502,579)	(30,670,568)
(Loss)/Profit on disposal of assets	(511,004)	(3,130,987)	237,752
Depreciation and amortisation	(160,430,666)	(139,067,176)	(136,593,120)
Other expenses	(29,455,040)	(25,439,560)	(21,804,042)
Profit before income tax	54,480,370	97,365,759	76,063,058
Income tax expense	(816,796)	(6,745,345)	(13,127,632)
Profit and total comprehensive income for the year	53,663,574	90,620,414	62,935,426

Note 1:

The accompanying summary financial statements, without reference to the detailed notes, are derived from the audited financial statements of MCB Leasing Limited (the “Company”) for the year ended 30 June 2020. These audited financial statements, which have been prepared in accordance with International Financial Reporting Standards and in compliance with the Companies Act 2001, the Banking Act 2004 and guidelines issued by the Bank of Mauritius, are available at 9-15 Sir William Newton Street, Port-Louis and can be viewed on our website: <https://www.mcbleasing.mu>

Note 2:

The Board of Directors of MCB Leasing Limited accepts full responsibility for the accuracy of the information contained in this communiqué.

15% of the profit after tax is transferred to the Statutory Reserve in compliance with the requirements of the Banking Act 2004.

The General Risk Reserve consists of amounts set aside in respect of impairment of the lease portfolio, in addition to the specific and portfolio provision.

Approved for issue by the Board of Directors on 29 September 2020 and signed on its behalf by:

Bernard D’Hotman De Villiers
Chairman

Anju Unrowsing-Ramtohol
Director

Raj Gungah
Managing Director

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS***Opinion***

The summary financial statements, which comprise the summary statement of financial position as at 30 June 2020, the summary statement of profit or loss and other comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended, are derived from the audited financial statements of MCB Leasing Limited for the year ended 30 June 2020.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with International Financial Reporting Standards (IFRSs).

Other Matter

The financial statements of MCB Leasing Limited for the year ended 30 June 2019 were audited by another auditor who expressed an unmodified opinion on those financial statements on 29 September 2019.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards (IFRSs) in the preparation of the audited financial statements of MCB Leasing Limited. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The Audited Financial Statements and Our Report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 29 September 2020. The report also includes the communication of key audit matters. Key audit matters are those matters, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with IFRSs.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised)–Engagements to Report on Summary Financial Statements.

Deloitte Chartered Accountants

29 September 2020

Vishal Agrawal, FCA, licensed by FRC