

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2022 (CONT'D)

13. INVESTMENTS IN JOINT VENTURES

ACCOUNTING POLICIES

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Separate financial statements

In the separate financial statements of the investor, investments in joint ventures are carried at fair value. The carrying amount is reduced to recognise any impairment in the value of individual investments.

Consolidated financial statements

Joint ventures are accounted for using the equity method.

	2022	2021
	MUR '000	MUR '000
(a) The Group		
At 1 July	1,979,279	1,973,154
Dividend	(84,000)	-
Addition (Note (i))	29,051	50,000
Transfer from held for sale	361,746	-
Translation adjustment	(2,324)	-
Share of results	197,276	(9,588)
Share of other comprehensive income	(26,780)	(34,287)
At 30 June	2,454,248	1,979,279
Made up as follows:		
Net assets	2,279,763	1,804,794
Goodwill	174,485	174,485
	2,454,248	1,979,279

	2022	2021
	MUR '000	MUR '000
(b) The Company		
Unlisted	Level 3	Level 3
At 1 July	89,908	35,371
Addition (Note (ii))	-	50,000
Fair value adjustment	72,558	4,537
At 30 June	162,466	89,908

2022 - The fair value has been based on a discounted cash flow approach over a period of ten years using the Gordon Growth Model. A WACC of **11.70%** and terminal growth rate of **3.40%** have been used. An increase/decrease in WACC by **5%** would have been decreased/increased the investment fair value by **MUR 27M/MUR 23M**.

2021 - The fair value has been based on a discounted cash flow approach over a period of five years using the Gordon Growth Model. A WACC of 10.73% and terminal growth rate of 3% have been used. An increase/decrease in WACC by 5% would have been decreased/increased the investment fair value by MUR 16M/MUR 18M.

The Directors are of the opinion that there were no indicators of impairment on the investment in joint venture at year end.

Addition

- (i) During the year ended 30 June 2022, the group has invested in Ebene Star Investment Ltd for **MUR 29M**, a company involved in the promotion of land and property development.
- (ii) During the year ended 30 June 2021, the group has made additional investment of MUR 50M in Anahita Residence and Villas Ltd; with no changes in shareholding.

13. INVESTMENTS IN JOINT VENTURES (CONT'D)

(c) The results of the joint ventures, all of which were incorporated in Mauritius and unlisted, have been included in the consolidated financial statements.

Details of the joint ventures of the Group and Company are as follows:

	Year-end / Reporting date	Effective Percentage holding		Principal activity
		Direct %	Indirect %	
2022				
Anahita Residence and Villas Ltd	June	50	-	Hotels and resorts
Bank One Limited	December	-	50	Banking
Domaine de l'Etoile Limited ¹	June	-	50	Leisure
Solea Vacances SA	June	-	50	Hotels and resorts
Ebene Star Investment Ltd	June	-	50	Land promoter and property developer
Cotona SA	June	-	50	Textile
2021				
Anahita Residence and Villas Ltd	June	50	-	Hotels and resorts
Bank One Limited	December	-	50	Banking
Domaine de l'Etoile Limited	June	-	50	Leisure
Solea Vacances SA	June	-	50	Hotels and resorts

¹ Domaine de l'Etoile Limited is currently in the process of winding up.

For the joint ventures having a different reporting date, management accounts have been prepared as at June 30, 2022 and 2021 respectively.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2022 (CONT'D)

13. INVESTMENTS IN JOINT VENTURES (CONT'D)

(d) Summarised financial information in respect of each of the joint ventures is set out below:

	Assets	Liabilities	Revenue	Profit/(loss) for the year	Share of Profit/(loss)	Other comprehensive Income	Share of other Comprehensive Income
	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
2022							
Anahita Residence and Villas Ltd	627,343	563,446	279,935	19,934	9,967	(5,136)	(2,568)
Bank One Limited	44,529,873	40,857,670	1,168,192	375,338	187,669	(38,224)	(19,112)
Solea Vacances SA	321,582	235,298	1,226,787	39,030	19,515	(10,200)	(5,100)
Ebene Star Investment Ltd	58,103	-	-	-	-	-	-
Domaine de l'Etoile Limited	-	-	-	6,065	3,033	-	-
Cotona SA	2,076,646	1,300,101	1,085,283	(45,816)	(22,908)	-	-
					197,276	(53,560)	(26,780)
2021							
Anahita Residence and Villas Ltd	614,406	565,304	33,503	(136,219)	(68,110)	7,494	3,747
Bank One Limited	47,003,702	43,500,614	1,635,715	133,044	66,522	(88,101)	(44,051)
Domaine de l'Etoile Limited	603	6,511	-	(315)	(157)	-	-
Solea Vacances SA	293,416	134,744	106,063	(15,688)	(7,843)	12,032	6,017
					(9,588)	(68,575)	(34,287)

13. INVESTMENTS IN JOINT VENTURES (CONT'D)

The above amounts of assets, liabilities and results include the following:

	Current Assets	Non- current Assets	Non-current Financial Liabilities	Current Financial Liabilities	Depreciation & Amortisation	Interest Income	Interest Expense
	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
2022							
Anahita Residence and Villas Ltd	86,617	540,726	382,512	180,934	(22,689)	13,149	-
Bank One Limited	44,529,873	-	-	40,857,670	(87,644)	1,168,192	(321,025)
Solea Vacances SA	316,646	4,936	-	235,298	(855)	1,172	(698)
Ebene Star Investment Ltd	58,103	-	-	-	-	-	-
Cotona SA	1,102,989	973,658	291,443	1,008,658	(9,900)	-	(15,473)
2021							
Anahita Residence and Villas Ltd	35,615	578,791	430,771	134,533	(33,360)	-	(62,262)
Bank One Limited	47,003,702	-	-	43,500,614	(75,801)	1,179,738	(392,074)
Domaine de l'Etoile Limited	243	360	-	6,511	(64)	-	(36)
Solea Vacances SA	291,407	2,009	-	134,744	(1,426)	986	-

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YEAR ENDED 30 JUNE 2022 (CONT'D)

13. INVESTMENTS IN JOINT VENTURES (CONT'D)

(e) Reconciliation of the above summarised financial information to the carrying amount recognised in the financial statements:

	Opening Net Assets	Issue of Shares	Profit/(loss) for the Year	Other Comprehensive income	Dividends	Closing Net Assets	Ownership	Goodwill	Interest in Joint ventures
	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
2022									
Anahita Residence and Villas Ltd	14,011	-	19,934	(5,136)	-	28,809	14,404	-	14,404
Bank One Limited	3,503,090	-	375,338	(38,224)	(168,000)	3,672,204	1,836,102	174,485	2,010,587
Solea Vacances SA	98,554	-	39,030	(10,200)	-	127,384	63,692	-	63,692
Ebene Star Investment Ltd	-	58,102	-	-	-	58,102	29,051	-	29,051
Domaine de l'Etoile Limited	(6,065)	-	6,065	-	-	-	-	-	-
Cotona SA	-	718,844	(45,816)	-	-	673,028	336,514	-	336,514
							2,279,763	174,485	2,454,248
2021									
Anahita Residence and Villas Ltd	42,736	100,000	(136,219)	7,494	-	14,011	7,005	-	7,005
Bank One Limited	3,458,147	-	133,044	(88,101)	-	3,503,090	1,751,545	174,485	1,926,030
Domaine de l'Etoile Limited	(5,750)	-	(315)	-	-	(6,065)	(3,032)	-	(3,032)
Solea Vacances SA	102,210	-	(15,688)	12,032	-	98,554	49,276	-	49,276
							1,804,794	174,485	1,979,279