

14. INVESTMENTS IN ASSOCIATES

ACCOUNTING POLICIES

Separate financial statements

In the separate financial statements of the investor, investments in associates are carried at fair value. Any change in fair value is recognised in other comprehensive income. The carrying amount is reduced to recognise any impairment in the value of individual investments.

Consolidated financial statements

An associate is an entity over which the Group has significant influence but not control, or joint control, generally accompanying a shareholding between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method except when classified as held-for-sale. Investments in associates are initially recognised at cost as adjusted by post acquisition changes in the Group's share of the net assets of the associate less any impairment in the value of individual investments.

Any excess of the cost of acquisition and the Group's share of the net fair value of the associate's identifiable assets and liabilities recognised at the date of acquisition is recognised as goodwill, which is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of identifiable assets and liabilities over the cost of acquisition, after assessment, is included as income in the determination of the Group's share of the associate's profit or loss.

When the Group's share of losses exceeds its interest in an associate, the Group discontinues recognising further losses, unless it has incurred legal or constructive obligation or made payments on behalf of the associate.

Unrealised profits and losses are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, appropriate adjustments are made to the financial statements of associates to bring the accounting policies used in line with those adopted by the Group.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

Dilution gains and losses arising in investments in associates are recognised in profit or loss.

	2022	2021
	MUR '000	MUR '000
(a) The Group		
At 1 July	3,984,327	3,987,741
Redemption	(120)	(485)
Disposals (Note (f))	(22,906)	(3,420)
Other movements	(55,000)	(2,015)
Share of results	234,625	276,892
Share of other comprehensive income	(18,035)	72,845
Dividends	(167,968)	(156,005)
Transfers to non-current assets held for sale (Note 21)	-	(191,226)
At 30 June	3,954,923	3,984,327

Management carried out an impairment assessment at 30 June 2022 based on the present value of future dividend income from its associate. Based on this assessment, no impairment charge has been recognised for the Group (2021: MUR Nil).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2022 (CONT'D)

14. INVESTMENTS IN ASSOCIATES (CONT'D)

(a) The Group (Cont'd)	2022		2021	(b) The Company	2022		2021
	MUR '000	MUR '000			Unquoted MUR '000	Unquoted MUR '000	
Made up as follows:							
Net assets	3,943,072	3,968,312		At 1 July	227,040	75,028	
Goodwill	11,851	16,015		Fair value adjustment	(41,953)	152,012	
	3,954,923	3,984,327		At 30 June	185,087	227,040	
Group's share of net assets				(c) The results of the following associated companies, all of which were incorporated in Mauritius, have been included in the consolidated financial statements.			
Listed	3,606,389	3,524,750					
Unquoted	336,683	443,562					
	3,943,072	3,968,312					

Details of the associates are as follows:

Name of associates	Year-end / Reporting date	Effective percentage holding				Principal activity
		Indirect		Direct		
		2022	2021	2022	2021	
		%	%	%	%	
Alteo Limited	June	20.96	20.96	-	-	Agro-Property
Hygeia Nigeria Limited*	December	-	12.23	-	-	Healthcare
Procontact Limited	June	-	-	47.67	47.67	Call centre
Kibo Capital Partners Ltd	December	37.55	37.55	-	-	Fund management
EastCoast Hotel Investment Ltd	June	15.03	15.03	-	-	Investment holding

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

The Directors confirm that the Company has significant influence over the above associates despite holding less than 20%, through their controlling interests in CIEL Finance, CIEL Healthcare and Sun Limited.

* The indirect stake in Hygeia Nigeria Limited was held through Jersey Hygeia Investment Limited.

** During the year ended 30 June 2022, the investments in Hygeia Nigeria Limited and Hygeia HMO Limited have been disposed.

14. INVESTMENTS IN ASSOCIATES (CONT'D)

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

	Current Assets	Non-Current Assets	Current Liabilities	Non-Current Liabilities	Revenue	Profit/(loss) for the year attributable to owners	Share of profit/(loss)	Dividends received during the year	Share of other comprehensive income
	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000	MUR '000
2022									
Alteo Limited	7,738,992	24,440,878	5,589,036	7,441,547	12,117,992	1,012,075	212,131	52,737	(23,025)
Procontact Limited	101,002	34,050	16,974	2,219	215,357	47,233	22,516	7,793	2,124
Kibo Capital Partners Ltd	-	-	-	-	-	(44)	(22)	-	2,866
EastCoast Hotel Investment Ltd	-	-	-	-	-	-	-	107,438	-
							234,625	167,968	(18,035)
2021									
Alteo Limited	7,370,547	23,773,543	5,262,897	7,219,732	9,549,122	1,154,074	241,894	48,064	62,985
Hygeia Nigeria Limited	304,727	732,501	116,647	143,279	638,906	76,486	17,653	-	(645)
Procontact Limited	87,422	15,455	21,400	2,933	188,995	37,910	16,844	4,596	1,899
The Kibo Fund LLC	-	-	-	-	-	-	-	-	8,852
Kibo Capital Partners Ltd	39,263	28,003	11,199	14,555	43,440	1,002	501	-	(246)
EastCoast Hotel Investment Ltd	-	-	-	-	-	(701,306)	-	103,345	-
							276,892	156,005	72,845

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2022 (CONT'D)

14. INVESTMENTS IN ASSOCIATES (CONT'D)

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

	Opening Net Assets	Redemption/ Disposal/ issue of shares	Other movements	Results Net of Dividends	Other Comprehensive Income for the year	Closing Net Assets	Ownership Interest	Goodwill	Transfer to Held for Sale	Interest in Associate
	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000
2022										
Alteo Limited	17,009,794	-	(261,130)	760,467	(109,851)	17,399,280	3,606,389	-	-	3,606,389
Procontact Limited	78,546	-	(606)	33,138	4,781	115,859	51,476	11,851	-	63,327
Kibo Capital Partners Ltd	40,366	(46,076)	-	(22)	5,732	-	-	-	-	-
EastCoast Hotel Investment Ltd	1,308,817	-	-	(358,127)	-	950,690	285,207	-	-	285,207
							3,943,072	11,851	-	3,954,923
2021										
Alteo Limited	15,784,536	-	46,544	924,756	253,958	17,009,794	3,524,750	-	-	3,524,750
Hygela Nigeria Limited	733,999	-	77,420	-	-	811,419	187,062	4,164	(191,226)	-
Procontact Limited	46,704	-	-	27,568	4,274	78,546	34,898	11,851	-	46,749
The Kibo Fund LLC	(10,541)	10,541	-	-	-	-	-	-	-	-
Kibo Capital Partners Ltd	40,340	(485)	-	1,002	(491)	40,366	20,183	-	-	20,183
EastCoast Hotel Investment Ltd	2,010,123	-	-	(701,306)	-	1,308,817	392,645	-	-	392,645
							4,159,538	16,015	(191,226)	3,984,327

14. INVESTMENTS IN ASSOCIATES (CONT'D)

(f) During the year the investment in KIBO Fund LLC was disposed as follows:

	KIBO Capital Partners Ltd (KCP) 2022 MUR '000	KIBO Fund LLC (KIBO1) 2021 MUR '000
The Group		
Consideration received or receivable:		
Cash	1,112	25,101
Amount receivable	21,558	5,629
Total disposal consideration	22,670	30,730
Carrying amount of net assets sold (Note (a))	(22,906)	3,420
(Loss)/Profit on disposal before reclassification of translation reserve	(236)	34,150
Reclassification of translation reserve	5,949	(7,472)
Profit on disposal after reclassification of translation reserve (Note 5(a))	5,713	26,678

The Group's share of the fair value reserves of KCP and KIBO1 has been reclassified to retained earnings upon disposal of the investment.

The fair value of the Group's interest in associates which are listed/quoted on the Stock Exchange of Mauritius is as follows as at 30 June 2022 and 2021 respectively:

	2022 MUR '000	2021 MUR '000
Alteo Limited	2,122,820	1,722,288