



PROMOTION  
AND  
DEVELOPMENT



ANNUAL REPORT 2010

*Dear Shareholder*

Promotion and Development is pleased to present its annual report for the year ended June 30, 2010.

*Yours sincerely*

*René Leclézio*

*Managing Director*



**REPORTS**

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**FINANCIAL STATEMENTS**

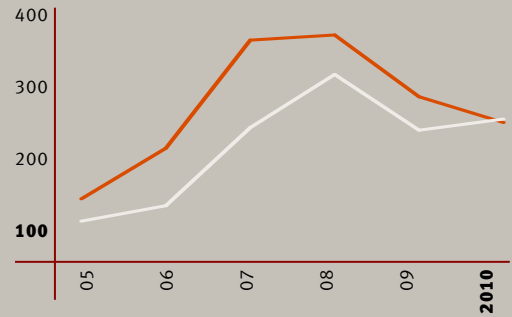
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*important events*

<b>Declaration of dividend</b>	
Interim	December 29th 2009
Final	June 23rd 2010
<b>Payment of dividend</b>	
Interim	February 16th 2010
Final	August 11th 2010
<b>Financial year end</b>	
	June 30th 2010
<b>Forthcoming annual meeting</b>	
	December 30th 2010

*share price information*

The evolution of the company's share price compared to the Semdex in the past 5 years.



The company's share price compared to the Semdex  
 2010 **Promotion and Development: 225**  
 Semdex: **229**

Promotion and Development is an investment company, more than 75 per cent of whose assets are property related.

The company, which is listed on the Stock Exchange of Mauritius, is an associate of The Mauritius Commercial Bank.

### *financial highlights*

	<b>2010</b>	2009	change
	MRs	MRs	%
Company net asset value	<b>145.40</b>	124.01	17.2
Group net asset value	<b>179.79</b>	177.65	1.2
Share price	<b>98.00</b>	82.00	19.5
Dividends per share	<b>2.00</b>	2.75	(27.3)
Company shareholders' funds	<b>5.7bn</b>	4.8bn	
Group shareholders' funds	<b>7.0bn</b>	6.9bn	
Semdex	<b>1,654.16</b>	1,417.47	16.7

### *performance summary*

	<b>2010</b>	2009
	%	%
<b>Net asset value return</b>		
Company	<b>18.9</b>	(13.1)
Group	<b>2.3</b>	(2.2)

The growth in net asset value plus dividends declared expressed as a % of the net asset value at the beginning of the year.

<b>Total shareholder return</b>	<b>22.9</b>	(19.0)
---------------------------------	-------------	--------

The growth in the market price plus dividends received during the year as a % of the share price at the beginning of the year.

	<b>THE GROUP</b>	<b>THE COMPANY</b>
to June 30th 2010	%	%
<b>Annualised returns</b>		
5 years	21.3	20.1
10 years	20.3	22.5

Compound annual total return in terms of increase in net assets plus dividends.

# corporate information

## directors

Jean-Pierre Montocchio, *Chairman*  
René Leclézio, *Managing Director*  
Bertrand de Chazal  
Arnaud Dalais  
Hector Espitalier-Noël  
Antoine Harel  
Jocelyne Martin  
Adolphe Vallet  
Bernard Yen

## corporate governance committee

Arnaud Dalais, *Chairman*  
Bertrand de Chazal  
René Leclézio  
Jean-Pierre Montocchio

## audit committee

Bertrand de Chazal, *Chairman*  
Hector Espitalier-Noël  
Bernard Yen

## company secretary

Jocelyne Martin

## auditors

BDO & Co  
*formerly BDO De Chazal Du Mée*

## registrar and transfer office

MCB Registry and Securities Limited  
Raymond Lamusse Building  
Sir William Newton Street  
Port-Louis  
Mauritius

## registered office

MCB Centre  
9-15 Sir William Newton Street  
Port Louis

## postal address

Dias Pier  
Le Caudan Waterfront  
Port Louis  
Mauritius

Telephone +230 211 94 30  
Fax +230 211 02 39  
Email [corporate@promotionanddevelopment.com](mailto:corporate@promotionanddevelopment.com)

## date of incorporation

August 23rd 1984





## chairman's report

### Dear Shareholder

Our results for the year to June 30th 2010 were in line with expectations. Economic conditions have remained challenging throughout the year with continuing pressure on margins. As far as the stock market was concerned, however, FY 2010 saw a marked and sustained recovery from the lows recorded in the prior year following the collapse of financial markets in Mauritius and around the world. Group NAV rose by 1.2% to MRs179.79, giving a total return for the year including dividends of 2.3%, whilst at company level, NAV rose by 17.2% to MRs145.40, equivalent to a total return for the year including dividends of 18.9%. Looking back over the last five years, PAD has outperformed the main comparator indices and generated a compound annual total return of 21.3% at group level and 20.1% at company level in terms of increase in net assets per share plus dividends, which is indicative of the successful relative outcome delivered to shareholders. Since the year end, the underlying worth has continued to strengthen and at 30 September 2010 NAV had increased further to MRs182.29 (up by 1.4%) and MRs155.48 (up by 6.9%) at group and company levels respectively.

### results

Profit attributable to shareholders was MRs126.1m (2009: MRs194.8m) for the company, whilst at group level we incurred a loss of MRs36m (2009: profit of MRs268.5m).

Unsurprisingly, given the tough economic background, income and profitability have been significantly impaired. As corporate profits declined, dividends inevitably came under pressure, with several companies suspending or paying lower dividends. The impact of lower dividend payout on our income has been further exacerbated by Medine deferring the declaration of its final dividend to after year-end. Our dividend income at company level fell by 20.4% year on year.

Profitability has also been adversely impacted by the increase in finance costs, resulting from our significantly weakened cash flow position. Furthermore, no revaluation adjustment has been reflected in this year's accounts whilst you will remember that last year we recognized a gain of MRs51m (net of deferred tax) in the Income Statement following an independent valuation of our investment property. These negative factors were offset to some extent by an income of MRs50m which was recognized following the distribution by Medine of its shares in SODIA. This adjustment, however, did not have any impact on the cash flows of the company as it merely involved a redistribution of shares previously held via Medine, which are now held directly. The adjusted underlying company profit excluding net gains of a non recurring nature (that is excluding profit on disposals of investments, distribution in specie and surplus on revaluation) stood at MRs73.4m, a 47% decrease from last year's MRs138.4m.

At group level, the following key factors have contributed to the reduced profit:

- › A significant fall was registered in the contribution from our associates from a share of profit of MRs121.6m last year to a share of loss of MRs14.3m reflecting mainly the poor performance of Medine, our 32% associate, which, sustained a loss during the year under review, having been severely affected by lower sugar proceeds resulting from the appreciation of the rupee against the euro combined with reduced profits recognized on the sale of land, compared with a substantial foreign currency exchange gain recognized in their accounts last year.

- › We have made an impairment adjustment of MRs71.2m, representing the write-off of the amount invested by our wholly owned subsidiary in Intercable, a cable network project which was placed under judicial administration shortly after year end.
- › The revaluation adjustment (net of deferred tax and minority interest) amounted to a surplus of MRs98m last year.

These factors were partially offset by a profit on sale of investment of MRs1.3m compared to a loss of MRs32m incurred last year, in respect of foreign listed shares disposed by Commercial Holding, our 100% subsidiary.

The group operating results calculated as underlying profit excluding surplus on revaluation, impairment adjustment and results on disposal of shares prior to the share of associates' profits, dropped by 44.8% from MRs63.8m to MRs35.2m. This reflects the context of uncertainty and tough economic conditions which have affected the holding company and its subsidiaries.

### *share portfolio*

After the severe losses in the previous financial year and a faltering start to the financial year under review, the stock market staged a strong recovery during the period. Over the 12 month period, the SEMDEX rose by 17%. The value of our company share portfolio, stood at June 30th 2010 at MRs5.5bn (2009: MRs4.6bn). In line with the increase in the SEMDEX, overall the equity portfolio appreciated by MRs784.5m (2009: loss of MRs930.5m) at company level, the biggest contribution by far being that of the shares of the Medine group, which performed remarkably well on the DEM.

At group level, the fair value gain of our associates is excluded as they are accounted under the equity method and we registered a subdued net fair value gain of MRs98.2m during the year (2009: loss of MRs410.7m) after taking into account the impairment in respect of Intercable in our subsidiary company.

We have continued to develop and progress our investment strategy and maintained our focus on organic growth by continuing our expansion in core assets. This strategy is long term in its execution and reflects our confidence in the long term potential of those investments. During the year our share purchases at company level comprised shares in Caudan (MRs12m) and Medine group (MRs22m). In respect of available-for-sale financial assets, we also took advantage of attractive opportunities as they arose and purchased shares in NMH (MRs26m) and at group level, in Lloyds Banking Group rights issue (MRs35m) via Commercial Holding.

The Mauritius Freeport Development Company, our 23.36% associate, is proceeding with a rights issue to raise funds for future developments. We consider this to be an excellent investment and will be subscribing fully to our rights entitlement and applying for excess shares with a view to increase our stake in MFD.

### *investment property*

The investment property was valued at June 30th 2010 and 2009 at MRs3.8bn and MRs0.2bn at group level and company level respectively.

Last year, a full valuation of the investment property held by the group as at June 30th 2009 was carried out by Messrs Alan Tinkler, Ramlackhan & Co, Chartered Valuers and as a result we booked a net gain on fair value adjustment of MRs124m at group level and MRs60m at company level. This year, the directors have reassessed the fair values of the properties at the reporting date and given that there were no significant changes in the prevailing economic and property market conditions which would warrant a change to our property open market values, no revaluation adjustment has been reflected to the carrying values of the investment property this year. As always, I draw your attention to the fluctuations which may arise in the future due to changes in market conditions.

Movements during the year reflect capital expenditure incurred in respect of office units of Dias Pier building in Caudan's accounts and the disposal by PAD of one commercial unit situated in Quatre Bornes.

### *capital expenditure*

As announced last year, the company moved to its newly purchased premises in Dias Pier building in August 2009. Expenditure capitalized at company level is mainly in respect of fitting works and furniture relating to our new offices. At group level, capital expenditure relates in addition to equipment and vehicles purchased by our security company as well as construction work and fittings in respect of their headquarters.

### *financial position*

At June 30th 2010, the company's borrowings totaled MRs238.3m (2009: MRs102.4m). After taking into consideration loans granted to subsidiaries, the adjusted net debt of PAD amounted to MRs84.9m compared to MRs2m last year. At group level, net debts increased from MRs900.7m to MRs1,053m.

The net cash outflow during the period reflects mainly the reduced net cash generated from operating activities, financing of investments by PAD and its wholly owned subsidiary, fitting of PAD offices, construction of the security headquarters, purchases of their equipment and vehicles as well as the increased burden of interest costs.

### *dividends*

Given the financial market conditions and the debt contractionary environment, the directors have considered it more judicious to restrict the dividend for 2010. A final dividend of MRe1 per share was declared in June 2010, making a total for the year of MRs2 per share, a reduction of 27.3% on last year. This decision has been a particularly difficult one as we have had a long track record of steady dividend growth from MRe0.35 in 1999 to MRs2.75 in 2009.

### *prospects*

We have to face the fact that our short term outlook for 2011 is bleak. With high uncertainty levels, the economic outlook is still predominantly biased to the downside as responses might yet fail to sufficiently revitalize business and consumer morale. The economic slowdown may prove to be both deep and long. Earnings expectations are being reduced and the outlook for dividend growth in the short term is weak. Any further downturn in the retail environment could lead to a weakening in the demand for rented units by occupiers, increased vacancy and empty property costs, a potential reduction in property values and an increase in the group gearing level. It seems likely that at least in the short term, market activity will remain subdued until there is evidence of an improvement in business and consumer confidence. The values of our property have held up well so far but we anticipate there could be some weakening and that rentals will remain under pressure.

We have exceptional assets with which we aim to drive superior returns to shareholders into the next decade. There are still uncertainties in this climate but business and the drive for efficiency continues while we safeguard our assets and nurture opportunities. We remain focused on creating value by maximizing income from our assets and improving operational efficiency. Management has taken the appropriate measures to mitigate the ill effects of the difficult business conditions ahead. With the anticipated decrease in revenues, we are putting in place a cost containment and savings plan aimed at mitigating the full impact of any material loss in revenue. We will aim to reduce overheads, achieve savings, gain operational efficiencies and improve margins. We firmly believe that with our strategy, dedication and the strength of our assets, the long term outlook remains positive. The robustness of our assets, their long term features and their recovery potential when conditions improve bode well for our future. We continue to be well placed to meet the challenges and opportunities that will arise once increasing signs of stabilization are registered and corporate earnings recover.

## *corporate social responsibility*

PAD has always had the interests of the community and the environment at heart and had been involved mainly through its donations in activities designed to contribute to the welfare of society. Following the enactment of the Finance (Miscellaneous Provisions) Act 2009, whereby companies are required to pay 2% of their book profit towards programmes contributing to the social and environment development of the country via a CSR fund, a new entity, Caudan Communauté was formed in January 2010 to act as the approved vehicle to manage all CSR programmes of the group. The report on page 21 details the progress we have made in our commitment towards corporate social responsibility. At all times, we strive to achieve the appropriate balance between the best interests of shareholders, employees and our local communities.

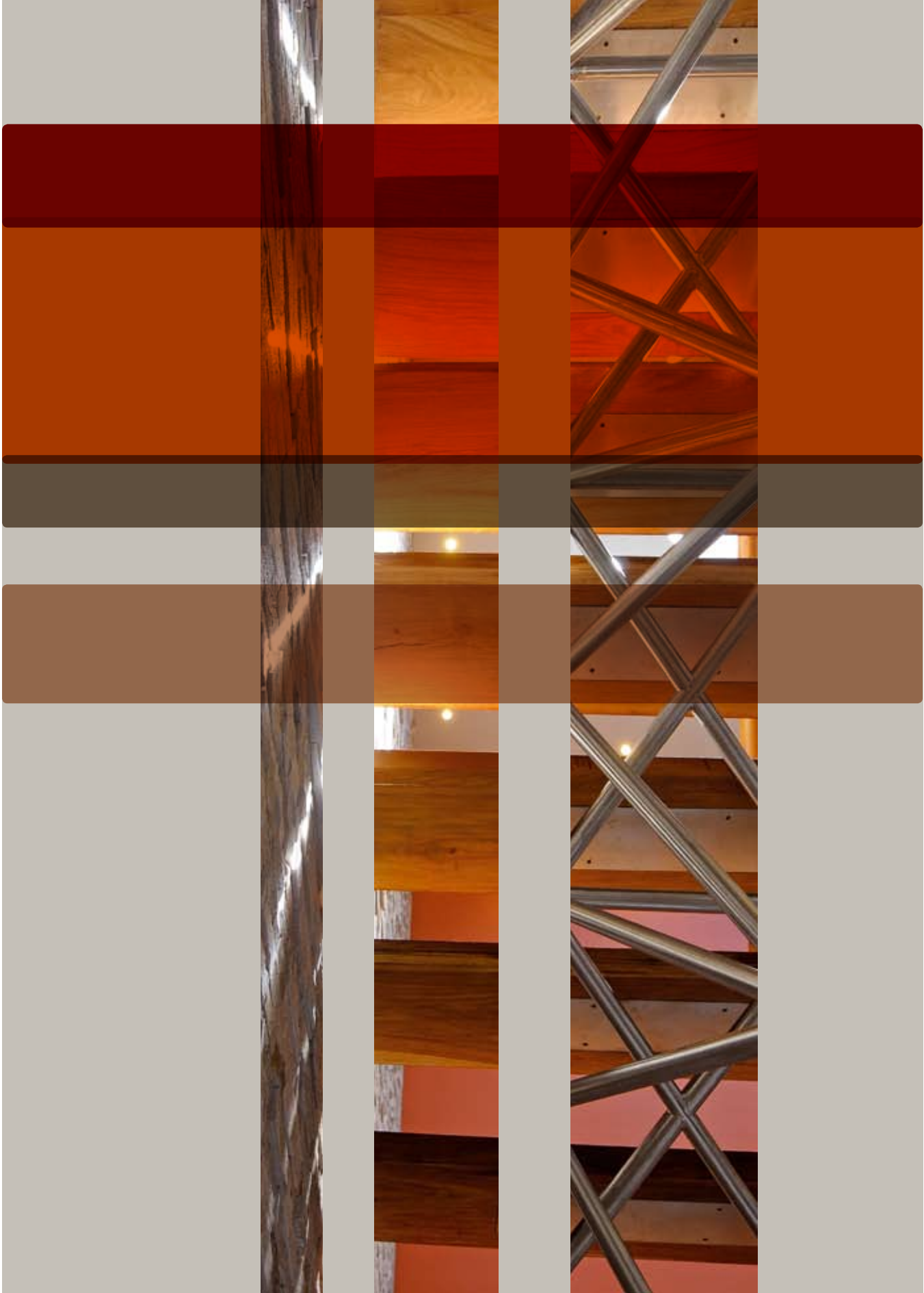
To conclude I would like to thank our staff for their unflinching hard work and perseverance in what has continued to be a volatile and testing environment. The directors and shareholders alike are fortunate to have their contributions. I express my sincere appreciation to all those who contribute to the group's ongoing success particularly the managing director, Mr René Leclézio, the management and the personnel at large for their invaluable contribution and the shareholders for their continued trust and confidence.

*Yours sincerely*

*Jean-Pierre Montocchio*

*Chairman*

*September 30th 2010*



# managing Director's statement

## Dear Shareholder

Your company's net asset value per share (NAV) stood at MRs145.40 at June 30th 2010, compared to MRs124 at the start of the financial year, an increase of 17.2 per cent. This compares with an increase of 16.7 per cent in the SEMDEX.

Your company's share price rose by 19.5 per cent during the same period, and the shares were trading at a 33 per cent discount to NAV at the end of the financial year, but a 45 per cent discount to intrinsic value (group NAV). At the time of writing the shares are trading at a 38 per cent discount to NAV.

## Caudan Development

As predicted last year, your company's 61 per cent owned subsidiary, Caudan Development (CDL), had a difficult year, with group profit before income tax and fair value adjustment decreasing by 32 per cent to MRs59 million. This includes a contribution of MRs2 million from Caudan Security Services (CSS) (2009: MRs12 million). The trading environment is still trying, and the surplus office space at the Cybercity is making office rental demand at our rates quasi non-existent.

The government recently announced a total of MRs70 billion of planned investment in retail space. We estimate total annual retail sales in Mauritius to be in the region of MRs75 billion, obtained by extrapolation of the Central Statistical Office's household survey of 2007, the National Accounts and tourist expenditure statistics from the Bank of Mauritius. As a rule of thumb each rupee of investment

in retail space should result in one rupee of annual sales for tenants to be able to service their rents comfortably. The figures do not stack up. We believe that the MRs70 billion figure contains a sizeable non-retail element. We also believe that a number of the projects announced will not go ahead, mainly from lack of finance, and those which do go ahead will be spread over a number of years. In reality, we estimate a maximum investment of MRs10 billion in (pure) retail space over the next three years. This represents less than 15 per cent of current annual sales, an amount which should be absorbable in time, although not without some pain. We are currently planning CDL's defence against the first wave of competitors coming on stream in 2011.

## principal investments

### The company's principal investments at the time of writing

	market value	portfolio
	MRsm	%
Medine group	3,357	53.0
Caudan Development	893	14.1
Mauritius Commercial Bank	730	11.5
New Mauritius Hotels	580	9.2
Mauritius Freeport Development	173	2.7
Overseas investments	180	3.8

The only purchase of any significance during the year was a MRs35 million investment in Lloyds Banking Group's rights issue. There was also a MRs67 million investment in a Mauritius Freeport Development Company rights issue after the end of the financial year.

## Intercable

There was, however, an impairment of our investment in Intercable, a triple-play cable network operation in Reunion Island, amounting to MRs71 million. This €100 million+ project was always to be financed in phases from shareholders' funds, bank borrowing, internally generated cash flow and use of the French government's development grant called *déffiscalisation*. The financial crisis, a protracted legal wrangle with France Telecom and the French state's vision of Fibre-to-the-home (FTTH) technology in order to qualify for *déffiscalisation* all contributed to testing the patience of financial

backers. The project did show some encouraging signs, with early penetration rates of 20+ per cent and €50+ average revenue per subscriber, higher than the European average, but this did not prevent the company from going into administration.

### *Medine*

Your associate company, Medine, had a bad year, but this is of little concern to us. The cyclical nature of the company's property projects and the long lead times to the actual realisation (and booking) of profits means that a one-year picture can be misleading. Developments which at first sight look ill-advised, like the Tamarina golf course, which lost MRs50 million last year, should be seen as adding considerable value to adjacent land in the long term. Other projects currently in the Medine pipeline which fall in that category are a primary school and a private clinic. They are vital elements in the live-work-play environment being planned on Medine's land. Anyone who has experienced the growing traffic problems in Mauritius will understand the importance of this concept. Land sales generate the cash which is used in leveraged build-and-lease projects, two of which, the Cascavelle shopping mall and the Medine business park, are already under way.

### *Mauritius Freeport Development Company*

Management at Mauritius Freeport Development Company (MFD) have secured two important long term tenants for their cold department. The company is on target to meet its 2010 budget, and yields are improving as the company is being more choosy about which tenants to take on, and which to keep. This is a recent phenomenon – the construction schedule agreed with the government meant that, previously, the company was building faster than it was leasing. The final phase is planned for 2012. As in all big infrastructure projects, the initial period entails working for the bank while shareholders wait patiently in the queue. In MFD's case the 60-year concession was signed in 1995, and we estimate that there will be 20 years of pain followed by 40 years of gain.

### *prospects*

With most of its investments being in Mauritius, PAD's future is totally aligned to that of the island. The superb locations of the land assets of Medine, CDL and MFD, New Mauritius Hotels' prime properties and marketing reach, and the Mauritius Commercial Bank's unique franchise, are all for nothing if Mauritius does not perform.

We tend to harp on about this, but it is vitally important to the future of Mauritius that there be a further opening up of the country to investment and immigration, and a resolution of the infrastructure problem. Exporters will blame a strong rupee, shopkeepers and restaurants will blame all-inclusive deals by the hotel groups for a drop in business, but these are market forces with which we have to live. It is obvious, however, that if a tourist has to come to the city for a shopping trip he will waste an entire day doing it, of which over 3 hours will be spent in a taxi or a coach, and he will not do it again. The government's duty-free island concept seems fine on paper, but the transport network will prevent it from happening. Singapore is often cited as a model city state, but Mauritius' poor road infrastructure cannot in any way be compared to Singapore's. This issue can no longer be swept under the carpet waiting for some future government to solve the problem. Decisions need to be taken, and when the decisions are taken, projects need to be allowed to be executed without impediment.

*Yours sincerely*

*René Leclézia*

*Managing Director*

*November 3rd 2010  
Port Louis, Mauritius*



## *annual report*

The directors have pleasure in submitting the annual report of Promotion and Development Limited, together with the audited financial statements for the year ended June 30th 2010.

### *principal activity*

The principal activities of the group are unchanged from last year and continued throughout 2010 to consist principally of investment in shares, property development and the supply and provision of services associated with such activities.

### *results*

The results for the year are set out in the statements of comprehensive income on page 29.

The Chairman's report on pages 7–10 and the Managing Director's statement on pages 12–13 provide information relating to the business of the company and group and their performance for the year ended June 30th 2010.

### *dividends*

The directors have declared an interim dividend of MRe1 per share which was paid in February 2010 and a final dividend of MRe1 per share which was paid in August 2010. The overall dividend amounted to MRs2 per share (2009: MRs2.75), giving a total of MRs77.7m.

*Directors*

The directors of the company during the year ended and at June 30th 2010 are listed on page 4 and directors of the subsidiaries holding office at the end of the accounting period are stated on page 70.

**directors' service contracts**

Except for Mr René Leclézio and Mrs Jocelyne Martin, who have a service contract with no expiry terms with the company, none of the other directors had any service contract with the company or its subsidiaries.

**directors' indemnity insurance**

The company has contracted an indemnity insurance cover for the directors' liability.

**directors' remuneration****Remuneration and benefits received and receivable**

MRS000	THE COMPANY		SUBSIDIARIES	
	2010	2009	2010	2009
Full-time				
executive directors	<b>20,015</b>	16,793	<b>60</b>	60
Non-executive directors	<b>730</b>	640	<b>392</b>	372
	<b>20,745</b>	17,433	<b>452</b>	432

*contract of significance*

During the year under review, there was no contract of significance to which PAD was a party and in which a director of PAD was materially interested either directly or indirectly.

*Donations*

MRS000	THE GROUP		THE COMPANY	
	2010	2009	2010	2009
Political	<b>2,400</b>	-	<b>2,400</b>	-
Charitable (including CSR)	<b>4,147</b>	675	<b>2,587</b>	675
	<b>6,547</b>	675	<b>4,987</b>	675

*auditors***Fees payable to the auditors**

MRS000	THE GROUP		THE COMPANY	
	2010	2009	2010	2009
<b>BDO &amp; Co</b>				
Audit services	<b>762</b>	739	<b>195</b>	190
Other services	<b>118</b>	84	<b>29</b>	28
	<b>880</b>	823	<b>224</b>	218

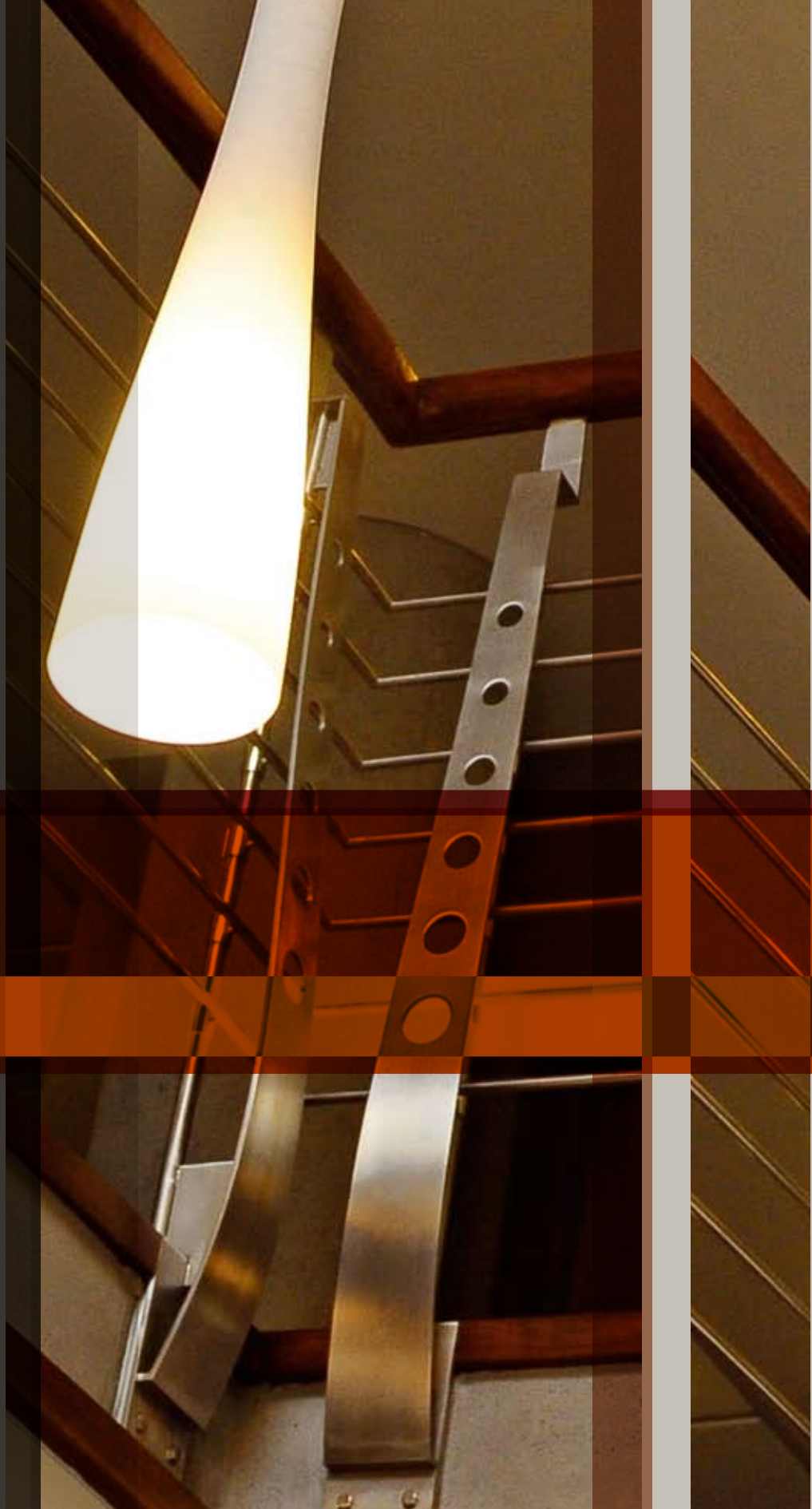
Approved by the board on September 21st 2010  
and signed on its behalf by

*Jean-Pierre Montocchio*

Chairman

*René Leclézio*

Managing Director



# corporate governance report

## compliance statement

The board supports and is committed to attain and maintain the highest standards of corporate governance, including the principles of openness, integrity and accountability.

The board strives to apply principles of good governance throughout the group. The promotion of good corporate governance values underlies the organisation's decisions and actions.

## holding structure

At November 30th 2010, the capital structure of the company was MRs194,330,800, represented by 38,866,160 ordinary shares of MRs5 each and there were 2,533 shareholders on the registry.

There is no ultimate holding company in the capital structure.

### Shareholders holding more than 5 per cent of the share capital of the company

shareholder	number of shares	% held
Fincorp Investment Limited	18,044,307	46.43
Pershing LLC	2,273,740	5.85

Subsidiaries and associates of the company are listed in notes 5 and 6 respectively of the financial statements.

## dividend policy

The company's objective is to provide value to its shareholders through optimum return on equity. The company has no formal dividend policy; it aims at achieving a reasonable return and regular income in the form of stable dividends.

Dividends are declared and paid, after taking into account the level of profits and the company's future commitments and financial requirements. Directors ensure that dividends are paid out only if the company, shall upon the distribution being made, satisfy the solvency test.

### Trend over the past five years

year	dividend per share
	MRs
2010	2.00
2009	2.75
2008	2.00
2007	1.80
2006	1.10

## the board of directors

The board of directors represents the shareholders' interests in maintaining and growing a successful business including optimising consistent long-term financial returns. The board is responsible to all its shareholders and to its other stakeholders and is accountable for determining that the company and its subsidiaries are managed in such a way as to achieve this objective.

The board has ultimate responsibility for the company's overall strategy, acquisition and divestment policy, approval of major capital expenditure projects, risk management, internal control, treasury and raising of finance, human resources and corporate governance. The procedures and accountability for certain of these matters are delegated under clearly defined conditions to board committees and executive management and information is supplied to the board in a manner that enables the board to act diligently and fulfill its responsibilities. The board monitors regularly the effectiveness of the policies and decisions, including the implementation and execution of its strategies.

The company’s constitution provides that the board of the company shall consist of a minimum of 5 and a maximum of 10 directors.

As at June 30th 2010, the board of Promotion and Development was made up of nine directors, the non-executive chairman, two executive directors and six non-executive directors. The directors come from diverse business backgrounds and possess the necessary knowledge, skills, objectivity, integrity, experience and commitment to make sound judgements on various key issues relevant to the business of the company. Amongst the non-executive directors, the chairman, Mr Jean-Pierre Montocchio and Mr Bertrand de Chazal are both directors of The Mauritius Commercial Bank, major shareholder of PAD and as such are not deemed to be fully independent. The board is entirely satisfied however that they are independent in both character and judgement. Further, they have a wide experience and make important contribution to strategic issues and corporate governance.

All directors are expected to attend all meetings of the board, and of those committees on which they serve, and to devote sufficient time to the group’s affairs to enable them to properly fulfill their duties as directors. However, on occasion, it may be necessary to convene meetings at short notice which may preclude directors from attending. The board met six times in the year to consider all aspects of the company’s affairs and any further information which it requested from management. Directors are kept regularly informed of the up to date business position of the group.

**Attendance at the board and its committee meetings**

	board of directors	sub-committees	
		corporate governance	audit
<b>2010</b>			
number of meetings held	6	3	5
meetings attended			
Jean-Pierre Montocchio	6	3	n/a
René Leclézio	6	3	n/a
Jocelyne Martin	6	n/a	n/a
Bertrand de Chazal	4	2	4
Arnaud Dalais	4	2	n/a
Hector Espitalier-Noël	3	n/a	3
Antoine Harel	5	n/a	n/a
Adolphe Vallet	5	n/a	n/a
Bernard Yen	3	n/a	5

*Directors’ profiles*

**Jean-Pierre Montocchio**

Notary public. Has participated in the National Committee on Corporate Governance. Director of various companies including The Mauritius Commercial Bank, Fincorp Investment, Caudan Development, Rogers and New Mauritius Hotels.

**René Leclézio**

Degree in Chemical Engineering and MBA (London Business School). Worked as a manager at Lloyds Merchant Bank, London, before joining the company, Promotion and Development, as its General Manager in 1988. Director of several private and public companies including Caudan Development, Liberty Investment Trust, Medine and Mauritius Freeport Development.

**Jocelyne Martin**

BSc (Econ) (London School of Economics). Member of the Institute of Chartered Accountants of England and Wales. After several years of experience in UK, worked at De Chazal Du Mée before joining Promotion and Development as Group Financial Controller in 1995. She is also the Company Secretary. Director of Caudan Development.

**Bertrand de Chazal**

Fellow member of the Institute of Chartered Accountants of England and Wales and *Commissaire aux Comptes*. Worked during his career with Touche Ross, Paris and West Africa; retired as senior financial analyst of the World Bank. Director of The Mauritius Commercial Bank and Caudan Development.

**Arnaud Dalais**

Chief Executive of CIEL group of companies. Director of several public companies including Ireland Blyth, Swan Group, Sun Resorts, Caudan Development. Has been chairman of the Mauritius Chamber of Agriculture, the Mauritius Sugar Syndicate and the Joint Economic Council.

**Hector Espitalier-Noël**

Member of the institute of Chartered Accountants of England and Wales. Worked for Coopers and Lybrand, London and De Chazal du Mée. Chief Executive Officer of Espitalier-Noël Group, Chairman of New Mauritius Hotels and member of the board of directors of several listed companies, including Rogers, Caudan Development, General Investment & Development, Liberty Investment Trust, Mon Desert Alma, Savannah SE and Swan Insurance.

**Antoine Harel**

Fellow member of the Institute of Chartered Accountants of England and Wales, Chairman of Compagnie d'Investissement et de Gestion de Portefeuilles, Compagnie Sucrière de Mont Choisy, Constantine and Produits Basaltique du Nord. Director of Caudan Development.

**Adolphe Vallet**

Worked for the Mauritius Commercial Bank and Roger Fayd'herbe, before The Constance & La Gaieté SE. Director of several companies including Belle Mare Holding.

**Bernard Yen**

Fellow of the Institute of Actuaries. Is currently the managing director of Hewitt LY (Mauritius). Before settling in Mauritius, worked at William M Mercer and specialized in actuarial services in UK and Belgium. Has advised many organizations based in Africa. Director of Caudan Development.

**Directors' interests in shares****Interests in the share capital of the company and its subsidiaries at June 30th 2010**

	Promotion & Development		Caudan Development		
	number of shares	direct	indirect	direct	indirect
Jean-Pierre Montocchio	-	22,561	-	131,000	-
René Leclézio	106,381	-	443,370	-	125,000
Jocelyne Martin	3,000	-	-	65,000	-
Bertrand de Chazal	-	-	-	-	242,500
Arnaud Dalais	2,667	-	-	300,000	50,000
Hector Espitalier-Noël	-	-	-	-	-
Antoine Harel	-	21,790	-	-	-
Adolphe Vallet	16,754	-	25,302	-	-
Bernard Yen	3,000	-	-	60,000	-

**Related party transactions**

For related party transactions, please refer to note 25 of the financial statements.

*board committees*

The board has the following committees, each of which has written terms of reference which deal clearly with their authorities and duties. Details of the most important committees are set out below:

**The corporate governance committee**

Incorporates the nomination and remuneration committee and is chaired by Mr Arnaud Dalais, an independent non-executive director and comprises of two further non-executive directors (Messrs Bertrand de Chazal and Jean Pierre Montocchio) as well as the group Managing Director (Mr René Leclézio). The committee makes recommendations to the board, on new appointments to the board and on succession planning and generally on all corporate governance provisions to be adopted. It also has responsibility for the remuneration package and other terms and conditions of service applying to directors and senior executives.

**The audit committee**

Comprises of Mr Bertrand de Chazal, who chairs this committee and Messrs Hector Espitalier-Noël and Bernard Yen. All three members of the committee have the relevant financial experience.

Amongst its other duties, the committee assists the board in fulfilling its financial reporting responsibilities. It reviews the financial reporting process, the audit process and monitors compliance with laws and regulations. It also reviews interim financial reports and the annual financial statements prior to their submission to the board, and the application of the company's accounting policies. The committee also reviews matters affecting the company's financial and internal controls and their effectiveness and the management of financial risk. The audit committee also provides a forum through which the external auditors can report to the board. The board is satisfied that the audit committee has adequately discharged its responsibilities.

**The investment committee**

The board has established an investment committee, which comprises Messrs René Leclézio and Bertrand de Chazal and Mrs Jocelyne Martin, to monitor the process of dis/investments. The committee has identified three categories of investments, namely: core, non-core and other. Core investments are those made in companies in which PAD has a long term interest; Non-core investments are those investments, other than core investments which are listed on a reputable stock exchange; other are all other investments and comprise mainly property and private equity.

All major dis/investments of the group whether in the ordinary course of business or of an exceptional nature are reviewed by the investment committee before being submitted to the board for approval. The board has delegated authority to the managing director and to the committee in respect of certain transactions within clearly defined limited parameters and these transactions are subsequently reviewed and ratified by the board.

**Internal control**

The board is responsible for monitoring and maintaining a robust and effective internal control framework across the group and for identifying, evaluating and managing the group's significant risks. The internal control system is designed to manage rather than eliminate the risk of failure of the group to meet its business objectives and as such can only provide a reasonable rather than absolute assurance against material misstatement or loss. The monitoring of the group's system of internal control covers all controls, including financial, operational and compliance controls and risk management.

The group does not have an internal audit function because the board has not considered it necessary given the nature of the group's business, and the central control and organisational and approval structure in place across the group with clearly defined levels of authority and division of responsibilities. The board considers that it has clear and robust procedures for the approval of all transactions, no matter what their size, through formal board committees and formally delegated authority limits and that the internal control procedures in place continue to be an effective alternative to a dedicated internal audit function. The audit committee also reviews the external auditors' reports and any recommendations for improvements in controls and procedures identified in the course of their work and ensures the proper follow up of previous recommendations.

## corporate social responsibility

2010 has been a significant and highly symbolical year as far as Promotion and Development's commitment to corporate social responsibility (CSR) is concerned. During the past years, the group has always maintained a high level of commitment to CSR, while at the same time continuously endeavouring to strike the right balance between the interests of shareholders, employees and the local community. The focus of CSR activities has been in the form of continued support to the underprivileged sections of the community via focus on youth, education and crime issues. It has been providing social aid to employees and patronising sports as well as arts and culture events aimed at improving the quality of life of the community. Companies within the group initiated action through philanthropic deeds in favour of the needy upon their request. Our subsidiary, Caudan has indeed always been actively involved in empowerment through the provision of free mall space and the promotion of local arts and crafts, artistic exhibitions and cultural as well as sports events.

The turning point in CSR activity came with the provision of the Finance Act 2009 which made it mandatory for each company to devote 2% of its book profit to corporate social responsibility. The group contributed towards the implementation of the legal provision through the managing director of PAD, who as member of the National CSR Committee, was instrumental in setting up the national framework within which CSR activities will henceforth operate.

In order to comply with the law, it was thus opportune to pool funds from all the companies within the group into a common entity and to formalise the group's CSR activities. As a result, Caudan Communauté, a Special Purpose Vehicle (SPV), was created under the Company's Act in December 2009. All CSR activities of companies within the group are henceforth structured and centralised within Caudan Communauté.

Caudan Communauté's vision is centred on the notion of *communauté*, which encompasses that of community development. Its mission is to work towards the construction of meaningful partnership models with entities engaged in social work with a view to better improve the quality of life of the population. Conscious of the group's commitment to sustainable development, Caudan Communauté will strive to play an important role within the community through various activities aimed at promoting values that will entail community development and social harmony.

The vision of Caudan Communauté, which revolves around the notion of community, defines the framework of its operation and is a testimony of its determination to bring a significant positive difference to the community. The field of intervention of Caudan Communauté is varied and covers the following areas:

- › promotion of socio-economic development, including poverty alleviation and the promotion of gender and human rights;
- › promotion of development in the fields of health, education and training, leisure, and environment;
- › intervention and support during and following catastrophic events; and
- › undertaking or participation in programs approved by the National CSR Committee.

### Caudan Communauté's CSR commitment

Caudan Communauté has received its accreditation from the National CSR Committee in 2010. Caudan Communauté is managed by a committee composed of employees of the group and of its companies, who contribute on a voluntary basis and who are assisted by a secretary. The committee has endeavoured to enlist the support of the management and of the staff with a view to better interact with the community.

To date, out of MRs4.3m earmarked for the accomplishment of CSR projects, MRs4.1m has been disbursed. In 2009–2010, it has provided assistance to registered Non-Governmental Organisations (NGOs) operating in diverse areas: support to vulnerable groups, education and training, health, human rights, fight against corruption, arts and culture, environment protection and preservation and sports, amongst others. Concretely, Caudan Communauté has been involved in the following projects:

- › support programs to adolescents;
- › donations funding the construction or renovation of infrastructure of NGOs that are supported;
- › general funding so as to help NGOs supported to achieve their missions;
- › provision of equipment and assistance to handicapped persons;
- › sponsorships funding specific administrative costs, campaigns or projects of NGOs supported;
- › environmental landscaping in view of providing a more adapted physical environment;
- › promotion of social integration through the organisation of cultural events, arts, exhibition and sports activities such as the kick boxing and tennis at Le Caudan Waterfront; and
- › visits to the NGOs with a view to follow up projects.

### *statement of Director's responsibilities*

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flow of the company and of the group. In preparing those financial statements, the directors are required to:

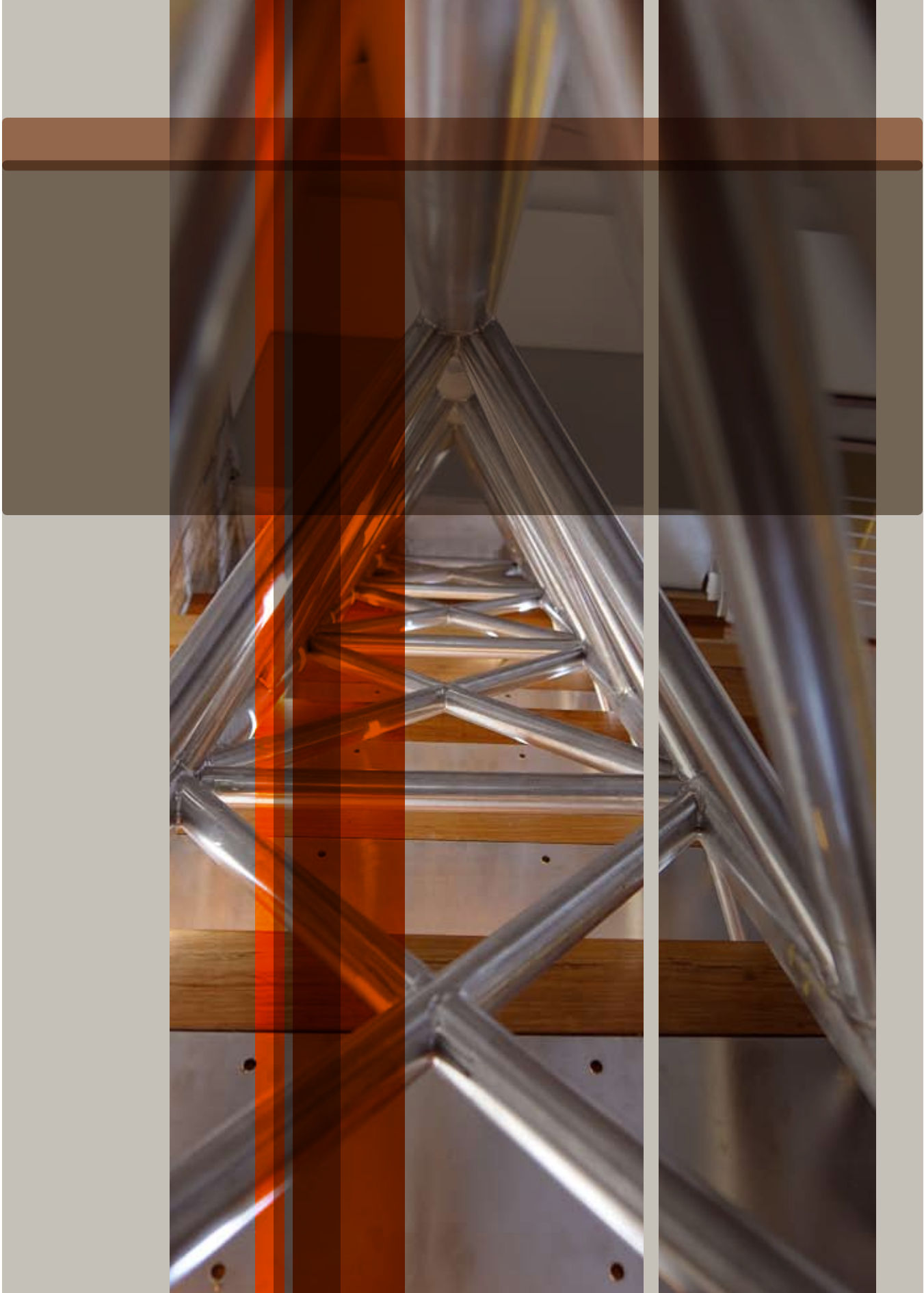
- › select suitable accounting policies and then apply them consistently;
- › make judgements and estimates that are reasonable and prudent;
- › state whether International Financial Reporting Standards have been followed and complied with, subject to any material departures disclosed and explained in the financial statements and
- › prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2001. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

*Signed on behalf of the board of directors  
September 21st 2010*

*Jean-Pierre Montocchio*  
Chairman

*René Leclézio*  
Managing Director



*company secretary's  
certificate*

I certify that to the best of my knowledge and belief the company has filed with the Registrar of Companies all such returns as are required of the company under the Companies Act 2001.

*Jocelyne Martin*  
Company Secretary

September 21st 2010

# *independent auditors' report to the members*

This report is made solely to the members of Promotion and Development Limited (the company), as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

## *report on the financial statements*

We have audited the financial statements of Promotion and Development Limited and its subsidiaries (the group) and the company's separate financial statements on pages 28 to 70 which comprise the statements of financial position at June 30th 2010, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### **Directors' responsibility for the financial statements**

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditors' responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements on pages 28 to 70 give a true and fair view of the financial position of the Group and of the Company at June 30th 2010, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

## *report on other legal and regulatory requirements*

### **Companies Act 2001**

We have no relationship with, or interests in, the company or any of its subsidiaries, other than in our capacity as auditors, tax and business advisers and dealings in the ordinary course of business.

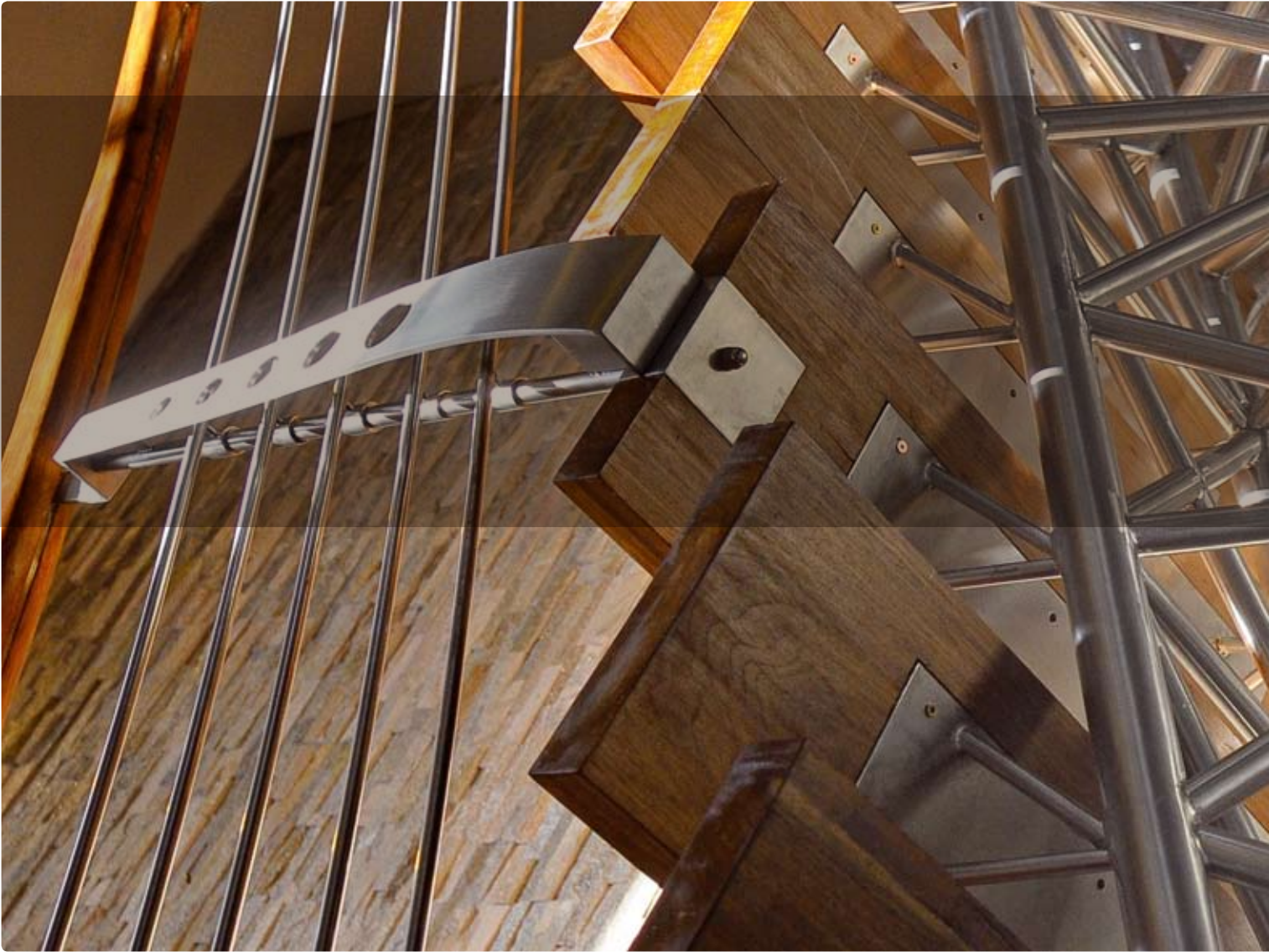
We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

*BDO & Co  
formally BDO De Chazal Du Mée  
Chartered Accountants*

*per Ameenah Ramdin, fcca*

*September 21st 2010, Port Louis, Mauritius*





*financial  
statements*

# statements of financial position

MRS000	note	THE GROUP		THE COMPANY	
		2010	2009	2010	2009
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	2	284,340	216,580	107,682	83,917
Investment property	3	3,790,612	3,786,951	149,650	153,950
Intangible assets	4	4,201	4,121	446	395
Investments in subsidiary companies	5	-	-	964,675	975,934
Investments in associates	6	3,647,781	3,648,613	3,048,290	2,294,911
Investments in available-for-sale financial assets	7	1,665,202	1,514,279	1,451,578	1,300,242
		<b>9,392,136</b>	9,170,544	<b>5,722,321</b>	4,809,349
<b>Current assets</b>					
Inventories	8	20,855	14,851	-	-
Trade and other receivables	9	136,732	204,571	241,851	224,931
Cash and cash equivalents		1,316	2,303	679	750
		<b>158,903</b>	221,725	<b>242,530</b>	225,681
<b>Total assets</b>		<b>9,551,039</b>	9,392,269	<b>5,964,851</b>	5,035,030
<b>Equity and liabilities</b>					
<b>Capital and reserves</b>					
Share capital	10	194,331	194,331	194,331	194,331
Other reserves	11	3,895,262	3,751,275	3,873,471	3,090,241
Retained earnings	22	2,897,965	2,958,945	1,583,517	1,535,139
Equity attributable to owners of the parent		<b>6,987,558</b>	6,904,551	<b>5,651,319</b>	4,819,711
Non-controlling interests		<b>1,095,122</b>	1,120,341	-	-
<b>Total equity</b>		<b>8,082,680</b>	8,024,892	<b>5,651,319</b>	4,819,711
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Borrowings	12	604,166	664,583	-	-
Income tax liabilities		252	1,157	-	653
Deferred tax liabilities	13	240,346	236,804	8,552	8,510
Retirement benefit obligations	14	19,209	12,499	11,346	7,721
		<b>863,973</b>	915,043	<b>19,898</b>	16,884
<b>Current liabilities</b>					
Trade and other payables	15	114,435	141,926	15,794	26,074
Income tax liabilities		972	3,962	653	1,975
Borrowings	12	450,113	238,430	238,321	102,370
Dividend proposed	16	38,866	68,016	38,866	68,016
		<b>604,386</b>	452,334	<b>293,634</b>	198,435
<b>Total liabilities</b>		<b>1,468,359</b>	1,367,377	<b>313,532</b>	215,319
<b>Total equity and liabilities</b>		<b>9,551,039</b>	9,392,269	<b>5,964,851</b>	5,035,030
<b>MRS</b>					
<b>Net assets per share</b>		<b>179.79</b>	177.65	<b>145.40</b>	124.01
<b>Number of shares</b>		<b>38,866,160</b>	38,866,160	<b>38,866,160</b>	38,866,160

The notes on pages 32 to 70 form an integral part of these financial statements. The auditors' report is on page 25.

These financial statements have been approved for issue by the board of directors on September 21st 2010.

Jean-Pierre Montocchio Chairman  
René Leclézio Managing Director

# statements of comprehensive income

MRS000	note	T H E G R O U P		T H E C O M P A N Y	
		2010	2009	2010	2009
Turnover		<b>491,175</b>	472,644	<b>146,198</b>	181,899
Operating expenses		<b>(342,905)</b>	(295,118)	<b>(57,770)</b>	(46,246)
		<b>148,270</b>	177,526	<b>88,428</b>	135,653
Profit/(loss) on disposal of shares		<b>1,281</b>	(32,236)	<b>1,281</b>	5,638
Impairment of available-for-sale financial assets	7D	<b>(71,184)</b>	-	-	-
Profit on disposal of properties		<b>1,395</b>	-	<b>1,395</b>	-
Net gain from fair value adjustment on investment property	3	-	123,720	-	59,750
Finance income	17	<b>1,183</b>	5,027	<b>1,434</b>	31,138
Finance costs	17	<b>(84,822)</b>	(70,621)	<b>(16,443)</b>	(24,305)
Distribution of shares from associates		-	-	<b>50,057</b>	-
Share of results of associates		<b>(14,300)</b>	121,550	-	-
Negative goodwill of associates		<b>11,663</b>	17,425	-	-
(Loss)/profit before taxation		<b>(6,514)</b>	342,391	<b>126,152</b>	207,874
Taxation	19	<b>(9,892)</b>	(33,157)	<b>(42)</b>	(13,061)
(Loss)/profit for the year		<b>(16,406)</b>	309,234	<b>126,110</b>	194,813
Other comprehensive income	20				
Group's share of other comprehensive income of associates		<b>25,398</b>	(42,470)	-	-
Release on transfer from available-for-sale financial assets to associates		-	5,962	-	-
Release on impairment of available-for-sale financial assets	7D	<b>29,390</b>	487	-	487
Release on disposal of available-for-sale financial assets		<b>(1,281)</b>	20,347	<b>(1,281)</b>	(4,976)
Release on distribution of available-for-sale financial assets		-	(632)	-	(632)
Fair value gains/(losses) on available-for-sale financial assets		<b>139,954</b>	(409,415)	<b>126,786</b>	(367,237)
Fair value losses on subsidiaries		-	-	<b>(23,755)</b>	(135,277)
Fair value gains/(losses) on associates		-	-	<b>681,480</b>	(428,033)
Currency translation differences		<b>(9,848)</b>	4,541	-	-
Comprehensive income for the year, net of tax		<b>183,613</b>	(421,180)	<b>783,230</b>	(935,668)
<b>Total comprehensive income for the year</b>		<b>167,207</b>	(111,946)	<b>909,340</b>	(740,855)
<b>(Loss)/profit for the year attributable to</b>					
Owners of the parent		<b>(35,967)</b>	268,532	<b>126,110</b>	194,813
Non-controlling interests		<b>19,561</b>	40,702	-	-
		<b>(16,406)</b>	309,234	<b>126,110</b>	194,813
<b>Total comprehensive income for the year attributable to</b>					
Owners of the parent		<b>145,492</b>	(154,709)	<b>909,340</b>	(740,855)
Non-controlling interests		<b>21,715</b>	42,763	-	-
		<b>167,207</b>	(111,946)	<b>909,340</b>	(740,855)
MRS					
(Loss)/earnings per share	21	<b>(0.93)</b>	6.91		

The notes on pages 32 to 70 form an integral part of these financial statements. The auditors' report is on page 25.

# statements of changes in equity

THE GROUP		attributable to owners of the parent				non controlling interests	total equity
MRs000	note	share capital	other reserves	retained earnings	total		
At July 1st 2008		194,331	4,183,639	2,788,172	7,166,142	1,097,251	8,263,393
Dividend	16	-	-	(106,882)	(106,882)	(19,673)	(126,555)
Total comprehensive income for the year		-	(432,364)	277,655	(154,709)	42,763	(111,946)
At June 30th 2009		194,331	3,751,275	2,958,945	6,904,551	1,120,341	8,024,892
At July 1st 2009		194,331	3,751,275	2,958,945	6,904,551	1,120,341	8,024,892
Dividend	16	-	-	(77,732)	(77,732)	(19,191)	(96,923)
Effect of increase in shareholding of subsidiary company		-	-	15,247	15,247	(27,743)	(12,496)
Total comprehensive income for the year		-	143,987	1,505	145,492	21,715	167,207
At June 30th 2010		<b>194,331</b>	<b>3,895,262</b>	<b>2,897,965</b>	<b>6,987,558</b>	<b>1,095,122</b>	<b>8,082,680</b>

## THE COMPANY

MRs000		share capital	other reserves	retained earnings	total
At July 1st 2008		194,331	4,025,909	1,447,208	5,667,448
Dividend	16	-	-	(106,882)	(106,882)
Total comprehensive income for the year		-	(935,668)	194,813	(740,855)
At June 30th 2009		194,331	3,090,241	1,535,139	4,819,711
At July 1st 2009		194,331	3,090,241	1,535,139	4,819,711
Dividend	16	-	-	(77,732)	(77,732)
Total comprehensive income for the year		-	783,230	126,110	909,340
At June 30th 2010		<b>194,331</b>	<b>3,873,471</b>	<b>1,583,517</b>	<b>5,651,319</b>

The notes on pages 32 to 70 form an integral part of these financial statements. The auditors' report is on page 25.

# statements of cash flows

MRS000	note	T H E G R O U P		T H E C O M P A N Y	
		2010	2009	2010	2009
<b>Cash flows from operating activities</b>					
Cash received from investments		<b>126,447</b>	131,853	<b>160,354</b>	142,536
Cash received from tenants		<b>234,676</b>	219,813	<b>4,598</b>	4,768
Security fees		<b>175,521</b>	161,809	-	-
Cash received from other operating activities		<b>2,504</b>	3,156	<b>11,037</b>	22,638
Operating cash payments		<b>(314,384)</b>	(276,559)	<b>(48,601)</b>	(41,879)
Cash generated from operating activities		<b>224,764</b>	240,072	<b>127,388</b>	128,063
Interest paid		<b>(85,722)</b>	(76,955)	<b>(16,071)</b>	(25,977)
Interest income		<b>5,895</b>	159	<b>2,997</b>	43,875
Income tax paid		<b>(13,504)</b>	(17,390)	<b>(3,003)</b>	(2,758)
Net cash generated from operating activities		<b>131,433</b>	145,886	<b>111,311</b>	143,203
<b>Cash flows from investing activities</b>					
Proceeds from sale of property, plant and equipment		<b>161</b>	526	-	96
Purchase of available-for-sale financial assets		<b>(72,142)</b>	(183,834)	<b>(34,081)</b>	(101,806)
Purchase of associates		<b>(26,375)</b>	(22,414)	<b>(26,375)</b>	(22,414)
Purchase of subsidiaries		<b>(12,496)</b>	-	<b>(12,496)</b>	-
Proceeds from sale of available-for-sale financial assets		<b>1,501</b>	23,605	<b>1,501</b>	5,561
Proceeds from distribution of assets		-	2,149	-	2,149
Proceeds from disposal of held-for-sale financial assets		-	7,307	-	7,307
Loans repayment from associates		-	1,648	-	1,648
Proceeds from disposal of investment properties		<b>58,311</b>	81,164	<b>5,695</b>	-
Payments in respect of investment property		<b>(28,903)</b>	(373)	-	-
Purchase of property, plant and equipment		<b>(76,321)</b>	(215,044)	<b>(20,774)</b>	(87,098)
Purchase of intangible assets		<b>(222)</b>	(132)	<b>(222)</b>	-
Other cash inflows		<b>1,780</b>	8,311	<b>1,472</b>	4,866
Net cash used in investing activities		<b>(154,706)</b>	(297,087)	<b>(85,280)</b>	(189,691)
Net cash flow before financing		<b>(23,273)</b>	(151,201)	<b>26,031</b>	(46,488)
<b>Cash flows from financing activities</b>					
Loans granted to subsidiaries		-	-	<b>(188,912)</b>	(370,900)
Loans repayment from subsidiaries		-	-	<b>135,810</b>	518,799
Loans granted to associates		<b>(2,000)</b>	-	<b>(2,000)</b>	-
Proceeds from bank borrowings		-	300,000	-	-
Repayment of bank borrowings		<b>(68,897)</b>	(36,648)	-	-
Repayment of medium term loan		<b>(87,000)</b>	-	<b>(87,000)</b>	-
Dividends paid to company's shareholders		<b>(106,882)</b>	(116,598)	<b>(106,882)</b>	(116,598)
Dividends paid to non-controlling interests		<b>(19,673)</b>	(19,673)	-	-
Net cash ( used in )/from financing activities		<b>(284,452)</b>	127,081	<b>(248,984)</b>	31,301
Decrease in cash and cash equivalents		<b>(307,725)</b>	(24,120)	<b>(222,953)</b>	(15,187)
Cash and cash equivalents at July 1st		<b>(80,229)</b>	(54,157)	<b>(14,620)</b>	571
Effect of foreign exchange rate changes		<b>(426)</b>	(1,952)	<b>(69)</b>	(4)
Cash and cash equivalents at June 30th		<b>(388,380)</b>	(80,229)	<b>(237,642)</b>	(14,620)
<b>Analysis of cash and cash equivalents</b>					
Bank and cash balances		<b>1,316</b>	2,303	<b>679</b>	750
Bank overdrafts	12	<b>(389,696)</b>	(82,532)	<b>(238,321)</b>	(15,370)
		<b>(388,380)</b>	(80,229)	<b>(237,642)</b>	(14,620)

The notes on pages 32 to 70 form an integral part of these financial statements. The auditors' report is on page 25.

## general information

Promotion and Development Limited is a limited liability company incorporated and domiciled in Mauritius. The address of its registered office is MCB Centre, 9–15 Sir William Newton Street, Port Louis. The company is listed on the official market of the Stock Exchange of Mauritius. These consolidated financial statements have been approved for issue by the board of directors on September 21st 2010 and will be submitted for consideration and approval at the forthcoming annual meeting of the shareholders of the company.

### 1 significant accounting policies

A summary of the principal accounting policies adopted in the preparation of these consolidated financial statements is set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Basis of preparation

The financial statements of Promotion and Development Limited comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS). Where necessary, comparative figures have been amended to conform with changes in presentation in the current year. The financial statements are prepared under the historical cost convention, except that:

- investment properties are stated at fair value; and
- available-for-sale financial assets; and
- relevant financial assets and financial liabilities are stated at their fair values.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise their judgment in the process of applying the company's accounting policies. Critical accounting estimates and assumptions used that are significant to the financial statements and areas involving a higher degree of judgment or complexity are disclosed in note 1A.

#### Standards, amendments to published standards and interpretations effective in the reporting period

##### IFRIC 16

Hedges of a net investment in a foreign operation, clarifies that the net investment hedging relates to differences in functional currency not presentation currency, and hedging instruments may be held anywhere in the group. This IFRIC will not have any impact on the group's financial statements.

##### IAS 1

Presentation of financial statements (revised 2007), prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring non-owner changes in equity to be presented separately from owner changes in equity. All non-owner changes in equity will be required to be shown in either one performance statement (the statement

of comprehensive income) or two statements (the income statement and statement of comprehensive income). This standard was early adopted in 2009.

##### IAS 23

Borrowing costs (revised 2007), requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset. This standard will not have any impact on the group's financial statements as the group's policy has always been to capitalise its borrowings costs on its qualifying assets until such time as the assets are substantially ready for their intended use or sale.

##### IFRS 8

Operating segments, requires a management approach, under which segment information is presented on the same basis as that used for internal reporting purposes. In addition, the segments are reported in a manner that is more consistent with the internal reporting provided to the chief operating decision-maker. This standard was early adopted in 2009.

##### Amendments to IAS 32 and IAS 1

Puttable financial instruments and obligations arising on liquidation, requires entities to classify puttable financial instruments and instruments, or components of instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation as equity, provided the financial instruments have particular features and meet specific conditions. The amendment is not expected to have any impact on the group's financial statements.

##### Amendments to IFRS 2

Vesting conditions and cancellations, clarifies that vesting conditions are service conditions and performance conditions only. Other features of a share-based payment are not vesting conditions. These features would need to be included in the grant date fair value for transactions with employees and others providing similar services; they would not impact the number of awards expected to vest or valuation thereof subsequent to grant date. All cancellations, whether by the entity or by other parties,

should receive the same accounting treatment. The amendment is not expected to have any impact on the group's financial statements.

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#### Amendments to IFRS 7

Improving disclosures about financial instruments requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. As the change in accounting policy only results in additional disclosures, there is no impact on earnings per share.

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#### IFRIC 15

Agreements for the construction of real estate, clarifies whether IAS 18, revenue, or IAS 11, construction contracts, should be applied to particular transactions. IFRIC 15 is not relevant to the group's operations as all revenue transactions are accounted for under IAS 18 and not IAS 11.

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#### Amendments to IFRIC 9 and IAS 39

Embedded derivatives, clarifies the accounting for embedded derivatives when a financial asset is reclassified out of the 'fair value through profit or loss' category. The amendment is not expected to have any impact on the group's financial statements.

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#### IAS 27

Consolidated and separate financial statements (revised 2008), requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The revised standard also specifies the accounting when control is lost. Any remaining interest in the entity is remeasured to fair value, and a gain or loss is recognised in profit or loss. This IAS will not have any impact on the group's financial statements.

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#### IFRS 3

Business combinations (revised 2008), continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently remeasured through the statements of comprehensive income. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed. This IFRS will not have any impact on the group's financial statements.

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#### Amendments to IAS 39

Eligible hedged items, prohibits designating inflation as a hedgeable component of a fixed rate debt. In a hedge of one-sided risk with options, it prohibits including time value in the hedged risk. The amendment is not expected to have any impact on the group's financial statements.

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#### Amendments to IFRS 1 and IAS 27

Cost of an Investment in a subsidiary, clarifies that the cost of a subsidiary, jointly controlled entity or associate in a parent's separate financial statements, on transition to IFRS, is determined under IAS 27 or as a deemed cost. Dividends from a subsidiary, jointly controlled entity or associate are recognised as income. There is no longer a distinction between pre-acquisition and post-acquisition dividends. The cost of the investment of a new parent in a group (in a reorganisation meeting certain criteria) is measured at the carrying amount of its share of equity as shown in the separate financial statements of the previous parent. The amendment is not expected to have any impact on the group's financial statements.

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#### IFRIC 17

Distributions of non-cash assets to owners, clarifies that a dividend payable is recognised when appropriately authorised and no longer at the entity's discretion. An entity measures distributions of assets other than cash when it pays dividends to its owners, at the fair value of the net assets to be distributed. The difference between fair value of the dividend paid and the carrying amount of net assets distributed is recognised in profit or loss. This IFRIC will not have any impact on the group's financial statements.

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#### IFRIC 18

Transfers of assets from customers, addresses the treatment for assets transferred from a customer in return for connection to a network or ongoing access to goods or services, or both. It requires the transferred assets to be recognised initially at fair value and the related revenue to be recognised immediately; or, if there is a future service obligation, revenue is deferred and recognised over the relevant service period. This IFRIC will not have any impact on the group's financial statements.

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#### Improvements to IFRSs (issued 22 May 2008)

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##### IAS 1 (amendment)

Presentation of financial statements, clarifies that some rather than all financial assets and liabilities classified as held for trading in accordance with IAS 39, Financial instruments: recognition and measurement are examples of current assets and liabilities respectively. This amendment is not expected to have any impact on the group's financial statements.

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##### IAS 8 (amendment)

Accounting policies, changes in accounting estimates and errors, clarifies that application of the guidance issued with IFRSs that is not an integral part of the standard is not mandatory in selecting and applying accounting policies. This amendment is unlikely to have an impact on the group's financial statements.

IAS 10 (amendment)	Events after the reporting period, reinforces the clarification of the explanation as to why a dividend declared after the reporting period does not result in the recognition of a liability.	for-sale and discontinued operations, to continue to apply IAS 39. The amendment will not have an impact on the group's operations.
IAS 16 (amendment)	Property, plant and equipment, requires entities whose ordinary activities comprise renting and subsequently selling assets to present proceeds from the sale of those assets as revenue and transfer the carrying amount of the asset to inventories when the asset becomes held for sale. Consequential amendment to IAS 7 requires that cash flows arising from purchase, rental and sale of those assets to be classified as cash flows from operating activities. The amendment will not have an impact on the group's operations.	IAS 28 (amendment) Investments in associates, clarifies that an investment in associate is treated as a single asset for the purposes of impairment testing. Any impairment loss is not allocated to specific assets included within the investment, for example, goodwill. Reversals of impairment are recorded as an adjustment to the investment balance to the extent that the recoverable amount of the associate increases. Where an investment in an associate that is accounted for under IAS 39, financial instruments: recognition and measurement, only certain rather than all disclosure requirements in IAS 28 need to be made. This amendment will not have an impact on the group's operations.
IAS 18 (amendment)	Revenue, removes the inconsistency between IAS 39 and the guidance in IAS 18 relating to the definition of costs incurred in originating a financial asset that should be deferred and recognised as an adjustment to the effective interest rate.	IAS 29 (amendment) Financial reporting in hyperinflationary economies, has amended the guidance to reflect the fact that a number of assets and liabilities are measured at fair value rather than historical cost. The amendment will not have an impact on the group's operations.
IAS 19 (amendment)	Employee benefits, clarifies that a plan amendment that results in a change in the extent to which benefit promises are affected by future salary increases is a curtailment, while an amendment that changes benefits attributable to past service gives rise to a negative past service cost if it results in a reduction in the present value of the defined benefit obligation. The definition of return on plan assets has been amended to state that plan administration costs are deducted in the calculation of return on plan assets only to the extent that such costs have been excluded from measurement of the defined benefit obligation.	IAS 31 (amendment) Interests in joint ventures, requires where an investment in joint venture is accounted for in accordance with IAS 39, only certain rather than all disclosure requirements in IAS 31 need to be made. The amendment will not have an impact on the group's operations.
IAS 20 (amendment)	Government grants and disclosure of government assistance, clarifies that the benefit of a below market rate government loan is measured as the difference between the carrying amount in accordance with IAS 39, Financial instruments: recognition and measurement, and the proceeds received with the benefit accounted for in accordance with IAS 20. This amendment will not have an impact on the group's operations.	IAS 34 (amendment) Interim financial reporting, clarifies that the presentation of basic and diluted earnings per share in interim financial reports is required only when the entity is within the scope of IAS 33.
IAS 23 (amendment)	Borrowing costs, has amended the definition of borrowing costs so that interest expense is calculated using the effective interest method defined in IAS 39 financial instruments: recognition and measurement.	IAS 36 (amendment) Impairment of assets, clarifies that where fair value less costs to sell is calculated on the basis of discounted cash flows, disclosures equivalent to those for value-in-use calculation should be made.
IAS 27 (amendment)	Consolidated and separate financial statements, requires an investment in a subsidiary that is accounted for under IAS 39, financial instruments: recognition and measurement, and is classified as held for sale under IFRS 5, non-current assets held-	IAS 38 (amendment) Intangible assets, clarifies that a prepayment may only be recognised in the event that payment has been made in advance of obtaining right of access to goods or receipt of services. Advertising and promotional activities includes mail order catalogues.
		IAS 39 (amendment) Financial instruments: recognition and measurement, clarifies that it is possible for there to be movements into and out of the fair value through profit or loss category where a derivative commences or ceases to qualify as a hedging instrument in cash flow or net investment hedge. The definition of financial asset or financial liability at fair value through profit or loss as it relates to items that are held for trading is also amended. This clarifies that a financial asset or liability that is part of a portfolio of financial instruments managed together with evidence of an actual recent

pattern of short-term profit taking is included in such a portfolio on initial recognition. When remeasuring the carrying amount of a debt instrument on cessation of fair value hedge accounting, the amendment clarifies that a revised effective interest rate (calculated at the date fair value hedge accounting ceases) is used. The amendment is not expected to have an impact on the group's statements of comprehensive income.

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IAS 40 (amendment)

Investment property, clarifies that property under construction or development for future use as investment property is within the scope of IAS 40. Where the fair value model is applied, such property is, therefore, measured at fair value. However, where fair value of investment property under construction is not reliably measurable, the property is measured at cost until the earlier of the date construction is completed and the date at which fair value becomes reliably measurable. Building under construction has been transferred from property, plant and equipment to investment property upon completion during the year.

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IAS 41 (amendment)

Agriculture, requires the use of a market-based discount rate where fair value calculations are based on discounted cash flows and the removal of the prohibition on taking into account biological transformation when calculating fair value. The amendment replaces the terms point-of sale costs and estimated point-of-sale costs with costs to sell. The amendment will not have an impact on the group's operations, as no agricultural activities are undertaken.

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IFRS 5 (amendment)

Non-current assets held for sale and discontinued operations, clarifies that all of a subsidiary's assets and liabilities are classified as held for sale if a partial disposal sale plan results in loss of control. Relevant disclosure should be made for this subsidiary if the definition of a discontinued operation is met. The amendment will not have an impact on the group's operations.

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IFRS 7 (amendment)

Financial instruments: disclosures, clarifies that interest income is not a component of finance costs.

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**Improvements to IFRSS (issued 16 April 2009)**

IFRS 2 (amendment)

Share-based payment, confirms that, transactions in which the entity acquires goods as part of the net assets acquired in a business combination as defined by IFRS 3 (2008, business combinations, contribution of a business on formation of a joint venture and common control transactions are excluded from the scope of IFRS 2, share-based payment. The amendment will not have an impact on the group's operations.

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IAS 38 (amendment)

Intangible assets, clarifies guidance in measuring the fair value of an intangible asset acquired in a business combination and it permits the grouping of intangible assets as a single asset if each asset has similar useful economic lives. This amendment is unlikely to have an impact on the group's financial statements.

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IFRIC 9 (amendment)

Reassessment of embedded derivatives, clarifies that embedded derivatives in contracts acquired in a combination between entities or businesses under common control or the formation of a joint venture are outside the scope of IFRIC 9. This amendment is unlikely to have an impact on the group's financial statements.

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IFRIC 16 (amendment)

Hedges of a net investment in a foreign operation, clarifies that hedging instruments may be held by any entity or entities within the group. This includes a foreign operation that itself is being hedged. This amendment is unlikely to have an impact on the group's financial statements.

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**Standards, amendments to published standards and interpretations issued but not yet effective**

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after January 1st 2010 or later periods, but which the group has not early adopted.

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Amendments to IFRS 1

Additional exemptions for first-time adopters

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Amendments to IFRS 2

Group cash-settled and share-based payment transactions

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Classification of rights issues (amendments to IAS 32)

IFRIC 19 Extinguishing financial liabilities with equity instruments

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Amendments to IFRIC 14

Prepayments of a minimum funding requirement

IAS 24 Related party disclosures (revised 2009)

IFRS 9 Financial instruments

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Amendments to IFRS 1

Limited exemption from comparatives IFRS 7 disclosures for first-time adopters

**Improvements to IFRSS (issued April 16th 2009)**

IFRS 5	Non-current assets held for sale and discontinued operations
IFRS 8	Operating segments
IAS 1	Presentation of financial statements
IAS 7	Statement of cash flows
IAS 17	Leases
IAS 18	Revenue
IAS 36	Impairment of assets
IAS 38	Intangible assets
IAS 39	Financial instruments: recognition and measurement

**Improvements to IFRSS (issued May 6th 2010)**

IFRS 1	First time adoption of international financial reporting standards
IFRS 3	Business combinations
IFRS 7	Financial instruments: disclosures
IAS 1	Presentation of financial statements
IAS 27	Consolidated and separate financial statements
IAS 34	Interim financial reporting
IFRIC 13	Customer loyalty programmes

Where relevant, the group is still evaluating the effect of these standards, amendments to published standards and Interpretations issued but not yet effective, on the presentation of its financial statements.

**Investments in subsidiary company**

Subsidiaries are all entities (including special purpose entities) over which the group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statements of comprehensive income.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

**Transactions and non-controlling interests**

The group treats transactions with non-controlling interests as transactions with equity owners of the group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

**Separate financial statements of the company**

In the company's financial statements, investments in subsidiaries are stated at fair value and any dividends receivable are credited to the statements of comprehensive income.

**Investments in associates**

An associate is an entity over which the group has significant influence, through participation in the financial and operating policy decisions but not control.

Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost and adjusted by post acquisition changes in the group's share of net assets of the associate. The group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The group's share of its associates' post acquisition profits or losses is recognised in the statements of comprehensive income and its share of post acquisition movements in reserves is recognised in reserves.

The carrying amount of the investment is reduced to recognise any impairment in the value of the individual investments. 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 gains on transactions between the group and its associates are eliminated to the extent of the group's interest in the associates.

Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the group.

#### **Separate financial statements of the investor**

In the company's financial statements, investments in associates are stated at fair value. The carrying amount is reduced to recognise any impairment in the value of individual investment.

#### **Goodwill**

Goodwill on consolidation represents the excess of the cost of acquisition over the fair value of the group's share of the net identifiable assets and liabilities of the acquired subsidiary or associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Any net excess of the group's interest in the net fair value of the acquiree's net identifiable assets over cost is recognised in the statement of comprehensive income.

Goodwill on acquisitions of associates is included in investment in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

#### **Intangible assets**

##### **Computer software**

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (not exceeding five years). Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

Costs that are directly associated with the production of identifiable and unique software controlled by the group and that will generate economic benefits exceeding costs beyond one year are recognized as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

##### **Customer list**

Customer list acquired during the year with an indefinite useful life is not amortised but is tested annually for impairment, as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity.

#### **Investment property**

Investment property, which is property held for long-term rental yields and/or capital appreciation, and is not occupied by the companies in the group, is stated at its fair value at the end of the reporting period. Gains or losses arising from changes in fair value of investment property are included in the statements of comprehensive income for the period in which they arise.

Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the group uses alternative valuation methods such as discounted cash flow projections or recent prices on less active markets.

The investment properties are valued annually on June 30th at fair value comprising the best estimate of market value by the directors. These valuations are reviewed periodically at least every three years by external independent valuers.

#### **Property, plant and equipment**

All plant and equipment, as well as property, which are occupied by the group companies, are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably.

Properties in the course of construction for production, rental or administrative purposes or for purposes not yet determined are carried at cost less any recognised impairment loss. Costs including professional fees and for qualifying assets, borrowing costs capitalised. Depreciation of these are on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is calculated on the straight line method to write off the cost of assets to their residual values over their estimated useful lives as follows:

Property	1%
Equipment, furniture and fittings	5–33 $\frac{1}{3}$ %
Motor vehicles	5–11 $\frac{2}{3}$ %

The assets' residual values and useful lives are reviewed and adjusted if appropriate at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds with their carrying amount and are taken into account in determining profit for the period.

### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets.

All other borrowings costs are expensed in the period in which they are incurred.

### Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

### Operating leases

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from lessor) are charged to the statements of comprehensive income on a straight-line basis over the period of the leases.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the basis of either weighted average price or on a first-in, first-out (FIFO) method. Costs comprise direct costs. Net realisable value is the estimate of the selling price in the ordinary course of business less the costs of completion and selling expenses.

Spares and accessories included under inventories consist of items which are regularly used for repairs, maintenance and new installations.

### Financial instruments

#### Financial assets

##### Categories of financial assets

The group classifies its financial assets in the following categories: loans and receivables and available-for-sale financial assets.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

##### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the group provides money, goods and services directly to a debtor with no intention of trading the receivable. They are included in current assets when maturity is within twelve months of the end of the reporting period or non-current assets for maturities greater than twelve months.

##### Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within twelve months of the end of the reporting period.

#### Initial recognition

Purchases and sales are recognised on a trade-date basis – the date on which the group commits to purchase or sell the asset. Investments are initially measured at fair value plus transaction costs.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership.

#### Subsequent recognition

Available-for-sale financial assets are subsequently carried at their fair values. Loans and receivables are carried at amortised costs using the effective interest method.

The fair values of listed shares and shares quoted on the DEM market are based on their market prices at the end of the reporting period or if not quoted on that day, the last preceding market price.

For unquoted shares the group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and other models refined to reflect the issuer's specific circumstances.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost.

Unrealised gains and losses are recognised directly in equity, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the statements of comprehensive income for the period. On disposal, the profit and loss recognised in the statements of comprehensive income is the difference between the proceeds and the carrying amount of the asset.

#### **Impairment of financial assets**

The group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of financial assets classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss is removed from equity and recognised in the statements of comprehensive income. Impairment losses for an investment in an equity instrument are not reversed through the statements of comprehensive income.

#### **Long term receivables**

Long term receivables with fixed maturity terms are measured at amortised cost using the effective interest rate method, less provision for impairment. The carrying amount of the asset is reduced by the difference between the asset's carrying amount and the present value of estimated cash flows discounted using the effective interest rate. The amount of the loss is recognised in the statements of comprehensive income. Long term receivables without fixed maturity terms are measured at cost. If there is objective evidence that an impairment loss has been incurred, the amount of the impairment loss is measured as the difference between the carrying amount of the asset and the present value (PV) of estimated cash flows discounted at the current market rate of return of similar financial assets.

#### **Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of receivables.

The amount of provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of provision is recognised in the statements of comprehensive income.

#### **Bank borrowings**

Borrowings are recognised initially at fair value being their issue proceeds net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statements of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

#### **Trade payables**

Trade payables are stated at fair value and subsequently measured at amortised cost using the effective interest method.

#### **Share capital**

Ordinary shares are classified as equity.

#### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statements of financial position.

#### **Deferred income tax**

Deferred income tax is provided in full, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted by the end of the reporting period and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The principal temporary differences arise from depreciation on investments in properties and property, plant and equipment, provision for bad debts, retirement benefit obligations, and tax losses carried forward. Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

### Alternative minimum tax (AMT)

Alternative minimum tax (AMT) is provided for when the company has a tax liability of less than 7.5% of its book profit and pays a dividend. AMT is calculated as the lower of 10% of the dividend paid and 7.5% of the book profit.

### Retirement benefit obligations

#### Defined benefit plan

The company contributes to a defined benefit plan for its employees. The cost of providing benefits is determined using the projected unit credit method so as to spread the regular cost over the service lives of employees in accordance with the advice of qualified actuaries who carry out a full valuation of the plan every year. Actuarial gains and losses are spread over the remaining service lives of the employees. The main actuarial assumptions are disclosed in the note 14A to the financial statements.

#### Defined contribution plan

Certain subsidiaries also operate a defined contribution retirement benefit plan for qualifying employees. Contributions are recognised as an employee benefit expense when they fall due. The subsidiaries have no further obligations once the contributions have been paid.

#### Gratuity on retirement

The net present value of gratuity on retirement payable under the Employment Rights Act 2008 has been provided for in respect of those employees who are not covered or who are insufficiently covered by the above retirement benefit plan. The obligations arising under this item are not funded.

### Foreign currencies

#### Functional and presentation currency

The consolidated financial statements are presented in Mauritian rupees, which is the company's functional and presentation currency.

#### Transactions and balances

Foreign currency transactions are translated using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statements of comprehensive income.

Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets are included in reserves in equity.

### Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, which it is probable will result in economic benefits that can be reasonably estimated. Where the group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

### Turnover

Turnover consists of rental and investment income, commissions, income from security activities and management fees receivable.

### Revenue recognition

Rental and interest income are recognised on the accruals basis.

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate, and continues unwinding the discount as interest income.

Income from security activities is recognised in the year in which the services are rendered.

Dividend income is recognised when the shareholder's right to receive payment is established except for the cumulative portion of dividends on preference shares which is accounted for on the accruals basis unless receipt is in doubt.

### Dividend distribution

Dividends are recorded in the financial statements in the period in which they are declared by the board of directors.

### Segment reporting

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the group's other components. All operating segments' operating results are reviewed regularly by the group's CEO to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment reporting is shown in note 23.

### Transfer pricing

The group has presently no policy in respect of transfer pricing.

### Related parties

Related parties are individuals and enterprises where the individual or enterprise has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

### Financial risk factors

The group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value and cash flow interest risk and price risk), credit risk and liquidity risk.

The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance.

Risk management is carried out by the treasury department under policies approved by the board of directors.

### Market risk

#### Currency risk

The group has foreign investments and is exposed to foreign exchange risk arising from GBP.

At June 30th 2010, if the rupee had weakened/strengthened by 10% against the GBP with all other variables held constant, equity would have been MRs15.2m (2009: MRs15.6m) lower/higher for the group, arising mainly from foreign exchange losses/gains on translation of GBP-denominated equity securities classified as available-for-sale. The impacts on post-tax profit are insignificant as the group and the company hold small amount of GBP-denominated cash balances.

Currency	THE GROUP		THE COMPANY	
	financial assets	financial liabilities	financial assets	financial liabilities
<b>2010</b>				MRs000
Mauritian rupee	5,291,671	1,168,714	5,705,703	254,115
GBP	151,829	-	676	-
Euro	2	-	-	-
<b>Total</b>	<b>5,443,502</b>	<b>1,168,714</b>	<b>5,706,379</b>	<b>254,115</b>
<b>2009</b>				
Mauritian rupee	5,196,191	1,044,939	4,785,847	128,444
GBP	115,668	-	747	-
Euro	21,384	-	-	-
Canadian dollar	20,412	-	-	-
<b>Total</b>	<b>5,353,655</b>	<b>1,044,939</b>	<b>4,786,594</b>	<b>128,444</b>

### Price risk

The group is exposed to equity securities price risk because of investments held by the group in subsidiary companies, associated companies and others classified as available-for-sale. The group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the group diversifies its portfolio. Diversification of its portfolio is done in accordance with the limits set by the group.

### Sensitivity analysis

The impact of increases/decreases in the fair value of investments on the group's and company's equity is shown below. The analysis is based on the assumption that the fair value had increased/decreased by 5%.

MRs000	THE GROUP		THE COMPANY	
	2010	2009	2010	2009
Available-for-sale financial assets	<b>83,260</b>	75,714	<b>72,579</b>	65,012
Investments in subsidiaries	-	-	<b>45,949</b>	46,512
Investments in associates	-	-	<b>152,415</b>	114,746

### Credit risk

The group's credit risk is primarily attributable to its trade receivables. The amounts presented in the statements of financial position are net of allowances for doubtful receivables, estimated by the group's management based on prior experience and the current economic environment.

The group has no significant concentration of credit risk, with exposure spread over a large number of customers and tenants. The group has policies in place to ensure that properties are rented and services provided to customers with an appropriate credit history. Close monitoring is carried out on all trade receivables.

### Liquidity risk

Prudent liquidity management includes maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. The group is exposed to calls on its available cash resources from maturing loans.

**Analysis of the group's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date**

years	less than 1	between 1 & 2	between 2 & 5	over 5
at June 30th				MRs000
<b>THE GROUP</b>				
<b>2010</b>				
Bank borrowings	<b>450,113</b>	<b>60,417</b>	<b>181,251</b>	<b>362,498</b>
Trade and other payables	<b>114,435</b>	-	-	-
<b>2009</b>				
Bank borrowings	238,430	60,417	181,251	422,915
Trade and other payables	141,926	-	-	-
<b>THE COMPANY</b>				
<b>2010</b>				
Bank borrowings	<b>238,321</b>	-	-	-
Trade and other payables	<b>15,794</b>	-	-	-
<b>2009</b>				
Bank borrowings	102,370	-	-	-
Trade and other payables	26,074	-	-	-

### Cash flow and fair value interest rate risk

As the group has no significant interest-bearing assets, the group's income and operating cash flows are substantially independent of changes in market interest rates. The group's interest-rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the group to cash flow interest-rate risk.

At June 30th 2010, if interest rates on borrowings had been 50 basis points higher/lower during the year with all other variables held constant, post-tax profit for the year would have been MRs3.8m (2009: MRs2.7m) lower/higher for the group and MRs0.8m (2009: MRs0.8m) lower/higher for the company, mainly as a result of higher/lower interest expense on floating rate borrowings.

### Fair value estimation

The fair value of available-for-sale financial assets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise primarily quoted equity investments classified as trading securities or available-for-sale.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- › Quoted market prices or dealer quotes for similar instruments.
- › The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- › The fair value of forward foreign exchange contracts is determined using forward exchange rates at the end of the reporting period, with the resulting value discounted back to present value.
- › Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cashflows at the current market interest rate that is available to the group for similar financial instruments.

### Capital risk management

The group's objectives when managing capital are:

- › to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- › to maintain an optimal capital structure to reduce the cost of capital.

The group sets the amount of capital in proportion to risk. The group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Consistently with others in the industry, the group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt adjusted capital. Net debt is calculated as total debt adjusted for cash and cash equivalents and adjusted capital comprises all components of equity.

#### The debt-to-adjusted capital ratios

at June 30th	THE GROUP		THE COMPANY	
	2010	2009	2010	2009
MRs000				
Total debt	<b>664,583</b>	820,481	-	87,000
Cash and cash equivalents	<b>388,380</b>	80,229	<b>237,642</b>	14,620
Net debt	<b>1,052,963</b>	900,710	<b>237,642</b>	101,620
Total equity	<b>8,082,680</b>	8,024,892	<b>5,651,319</b>	4,819,711
Debt to adjusted capital ratio	<b>0.13</b>	0.11	<b>0.04</b>	0.02

#### 1A Critical accounting estimates and judgments

Estimates and judgments are continuously evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The fair value of available-for-sale financial assets and investment property may therefore increase or decrease, based on prevailing economic conditions.

#### Pension benefits

The present value of the pension obligations depend on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based in part on current market conditions.

#### Estimate of fair value of investment properties

The group carries its investment properties at fair value, with changes in fair value being recognised in the statements of comprehensive income.

The best evidence of fair value is current prices in an active market for similar lease and other contracts. In the absence of such information, the group determines the amount within a range of reasonable fair value estimates. In making its judgment, the group considers information from a variety of sources including:

- › current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences;
- › recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of transactions that occurred at those prices; and
- › discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts and (where possible) from external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

#### Impairment of available-for-sale financial assets

The group follows the guidance of IAS 39 on determining when an investment is other-than-temporarily impaired. This determination requires significant judgment. In making this judgment, the group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost, and the financial health of a near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

**2 property, plant and equipment**

## THE GROUP

	note	land & building	buildings in progress	equipment furniture & fittings	motor vehicles	total
MRs000						
<b>Cost</b>						
At July 1st 2009		113,891	57,147	66,881	34,351	272,270
Additions		-	35,614	41,532	6,212	83,358
Transfer		92,761	(92,761)	-	-	-
Disposal/amount written off		-	-	(2,395)	(481)	(2,876)
<b>At June 30th 2010</b>		<b>206,652</b>	<b>-</b>	<b>106,018</b>	<b>40,082</b>	<b>352,752</b>
<b>Depreciation</b>						
At July 1st 2009		3,010	-	37,416	15,264	55,690
Charge for the year	18	1,466	-	8,330	5,640	15,436
Disposal/amount written off adjustment		-	-	(2,233)	(481)	(2,714)
<b>At June 30th 2010</b>		<b>4,476</b>	<b>-</b>	<b>43,513</b>	<b>20,423</b>	<b>68,412</b>
<b>Net book values</b>						
<b>At June 30th 2010</b>		<b>202,176</b>	<b>-</b>	<b>62,505</b>	<b>19,659</b>	<b>284,340</b>
<b>Cost</b>						
At July 1st 2008		39,474	502,679	55,945	32,444	630,542
Transfer to intangible assets	4	-	-	(429)	-	(429)
As reclassified		39,474	502,679	55,516	32,444	630,113
Additions		417	157,542	11,955	4,922	174,836
Transfer from/(to) investment property		74,000	(603,074)	-	-	(529,074)
Disposal/amount written off		-	-	(590)	(3,015)	(3,605)
<b>At June 30th 2009</b>		<b>113,891</b>	<b>57,147</b>	<b>66,881</b>	<b>34,351</b>	<b>272,270</b>
<b>Depreciation</b>						
At July 1st 2008		2,603	-	32,463	12,937	48,003
Transfer to intangible assets	4	-	-	(225)	-	(225)
As reclassified		2,603	-	32,238	12,937	47,778
Charge for the year	18	407	-	5,715	4,796	10,918
Disposal/amount written off adjustment		-	-	(537)	(2,469)	(3,006)
<b>At June 30th 2009</b>		<b>3,010</b>	<b>-</b>	<b>37,416</b>	<b>15,264</b>	<b>55,690</b>
<b>Net book values</b>						
<b>At June 30th 2009</b>		<b>110,881</b>	<b>57,147</b>	<b>29,465</b>	<b>19,087</b>	<b>216,580</b>

## 2 property, plant and equipment continued

THE COMPANY		property	equipment furniture & fittings	motor vehicles	total
MRs000	note				
<b>Cost</b>					
At July 1st 2009		74,417	10,801	9,063	94,281
Additions		-	27,869	895	28,764
Disposal/amount written off		-	(2,657)	-	(2,657)
<b>At June 30th 2010</b>		<b>74,417</b>	<b>36,013</b>	<b>9,958</b>	<b>120,388</b>
<b>Depreciation</b>					
At July 1st 2009		-	5,846	4,518	10,364
Charge for the year	18	744	2,533	1,528	4,805
Disposal/amount written off adjustment		-	(2,463)	-	(2,463)
<b>At June 30th 2010</b>		<b>744</b>	<b>5,916</b>	<b>6,046</b>	<b>12,706</b>
<b>Net book values</b>					
<b>At June 30th 2010</b>		<b>73,673</b>	<b>30,097</b>	<b>3,912</b>	<b>107,682</b>
<b>Cost</b>					
At July 1st 2008		-	7,003	8,977	15,980
Additions		74,417	4,094	555	79,066
Amount written off		-	(296)	(469)	(765)
<b>At June 30th 2009</b>		<b>74,417</b>	<b>10,801</b>	<b>9,063</b>	<b>94,281</b>
<b>Depreciation</b>					
At July 1st 2008		-	5,689	3,526	9,215
Charge for the year	18	-	445	1,461	1,906
Amount written off adjustment		-	(288)	(469)	(757)
<b>At June 30th 2009</b>		<b>-</b>	<b>5,846</b>	<b>4,518</b>	<b>10,364</b>
<b>Net book values</b>					
<b>At June 30th 2009</b>		<b>74,417</b>	<b>4,955</b>	<b>4,545</b>	<b>83,917</b>

› There were no impairment charges for property, plant and equipment in June 2010 and June 2009 for the group and the company. › Bank borrowings are secured by floating charges on the assets of the borrowing companies including property, plant and equipment (note 12). › Borrowings costs of MRs1.6m (2009: MRs15.9m) (note 17) arising on financing of the construction of buildings were capitalised during the year and are included in Additions. › A capitalisation rate of 8.125% (2009: 8.375%–9.125%) was used, representing the borrowing cost of the loan used to finance the project. › Depreciation charge of MRs15.436m for the group (2009: MRs10.918m) and MRs4.805m for the company (2009: MRs1.906m) has been included in operating expenses.

**3 investment property**

THE GROUP	freehold	freehold	long leasehold	total	total
	Le Caudan Waterfront	other land and buildings	buildings	2010	2009
MRs000					
<b>Fair value model</b>					
At July 1st	3,396,721	251,451	138,779	<b>3,786,951</b>	3,267,564
Additions	7,961	-	-	<b>7,961</b>	373
Net gain from fair value adjustment on investment property	-	-	-	-	123,720
Transfer from property, plant and equipment	-	-	-	-	529,074
Disposal	-	(4,300)	-	<b>(4,300)</b>	(133,780)
<b>At June 30th</b>	<b>3,404,682</b>	<b>247,151</b>	<b>138,779</b>	<b>3,790,612</b>	3,786,951

**THE COMPANY**

MRs000	freehold	
	land	buildings
	2010	2009
<b>Fair value model</b>		
At July 1st	<b>153,950</b>	94,200
Net gain from fair value adjustment on investment property	-	59,750
Disposal	<b>(4,300)</b>	-
<b>At June 30th</b>	<b>149,650</b>	153,950

**Basis of valuation**

Investment property comprises of a number of office, commercial and industrial properties rented to third parties. The directors have reassessed the fair values of the investment properties at June 30th 2010. Given that the economic and property market conditions are similar to that prevailing at June 30th 2009, no revaluation adjustment to the carrying values of the investment properties has been reflected in this year's accounts. The directors' valuations are reviewed at least triennially by external valuers. The last independent valuation was carried out at June 30th 2009 by Messrs Alan Tinkler, Ramlackhan & Co, Chartered Valuers, an independent professional valuer, on an open-market value basis. In 2009, the values determined by the valuer were adjusted downwards to reflect the prevailing economic conditions whilst values in respect of all other properties were reflected in full. Bank borrowings are secured by floating charges on the assets of the borrowing companies, including investment property (note 12).

**Amounts recognised in the statements of comprehensive income**

MRs000	THE GROUP		THE COMPANY	
	2010	2009	2010	2009
Rental income	<b>246,193</b>	225,737	<b>4,598</b>	4,612
Direct operating expenses arising from investment property that generates rental income	<b>106,217</b>	89,248	<b>358</b>	270
Direct operating expenses arising from investment property that did not generate rental income	-	-	-	83

**4 intangible assets**

THE GROUP			computer software	customer list	total
MRs000		note			
<b>Cost</b>					
At July 1st 2009			3,511	4,178	7,689
Additions			412	-	412
<b>At June 30th 2010</b>			<b>3,923</b>	<b>4,178</b>	<b>8,101</b>
<b>Amortisation</b>					
At July 1st 2009			2,611	957	3,568
Amortisation charge		18	332	-	332
<b>At June 30th 2010</b>			<b>2,943</b>	<b>957</b>	<b>3,900</b>
<b>Net book values</b>					
<b>At June 30th 2010</b>			<b>980</b>	<b>3,221</b>	<b>4,201</b>
<b>Cost</b>					
At July 1st 2008			2,966	4,178	7,144
Transfer from property, plant and equipment		2	429	-	429
As reclassified			3,395	4,178	7,573
Additions			132	-	132
Amount written off			(16)	-	(16)
<b>At June 30th 2009</b>			<b>3,511</b>	<b>4,178</b>	<b>7,689</b>
<b>Amortisation/Impairment</b>					
At July 1st 2008			2,124	264	2,388
Transfer from property, plant and equipment		2	225	-	225
As reclassified			2,349	264	2,613
Amortisation charge			278	-	278
Impairment charge			-	693	693
Amount written off adjustment			(16)	-	(16)
<b>At June 30th 2009</b>			<b>2,611</b>	<b>957</b>	<b>3,568</b>
<b>Net book values</b>					
<b>At June 30th 2009</b>			<b>900</b>	<b>3,221</b>	<b>4,121</b>
<b>THE COMPANY</b>			<b>computer software</b>		
MRs000			<b>2010</b>	<b>2009</b>	
<b>Cost</b>					
At July 1st 2009				2,420	2,436
Additions				222	-
Amount written off				-	(16)
<b>At June 30th 2010</b>			<b>2,642</b>	<b>2,420</b>	
<b>Amortisation</b>					
At July 1st 2009				2,025	1,890
Amortisation charge		18		171	151
Amount written off adjustment				-	(16)
<b>At June 30th 2010</b>			<b>2,196</b>	<b>2,025</b>	
<b>Net book values</b>					
<b>At June 30th 2010</b>				<b>446</b>	<b>395</b>

**5 investments in subsidiary companies**

THE COMPANY MRs000	listed	unquoted	total 2010	total 2009
<b>Valuation</b>				
At July 1st	658,612	271,633	<b>930,245</b>	1,065,522
Additions	12,496	-	<b>12,496</b>	-
Decrease in fair value	(24,874)	1,119	<b>(23,755)</b>	(135,277)
<b>At June 30th</b>	646,234	272,752	<b>918,986</b>	930,245
Group loan receivable			<b>45,689</b>	45,689
			<b>964,675</b>	975,934

› Listed subsidiaries have been valued at their market prices at the reporting date or if not quoted on that day, the last preceding market price. › The directors have valued the unquoted subsidiaries on net assets basis. › The group loan receivable is interest-free, without fixed maturity terms and has been measured at cost since the carrying amount approximates its fair value.

**Subsidiaries of Promotion and Development Limited**

June 2010	cost of investment MRs000	nominal value of investment MRs000	stated capital MRs000	direct holding %	effective holding %	main business
Best Sellers Limited	-	-	25	-	60.97	property
Caudan Development Limited	267,076	419,633	819,520	51.20	60.97	property
Caudan Leisure Ltd	-	-	1,000	-	60.97	leisure & property
Caudan Security Services Limited	-	-	100	-	60.97	security
Commercial Holding Ltd	154,809	600	600	100.00	100.00	investment
Ferryhill Enterprises Ltd	34,312	25	25	100.00	100.00	investment
Harbour Cruise Ltd	-	-	300	-	60.97	leisure
Security & Property Protection Agency Co Ltd	-	-	25	-	60.97	security
Société Mauricienne d'Entreprise Générale Ltée	-	-	3,000	-	60.97	investment

June 2009	cost of investment MRs000	nominal value of investment MRs000	stated capital MRs000	direct holding %	effective holding %	main business
Best Sellers Limited	-	-	25	-	59.99	property
Caudan Development Limited	254,580	411,633	819,520	50.23	59.99	property
Caudan Leisure Ltd	-	-	1,000	-	59.99	leisure & property
Caudan Security Services Limited	-	-	100	-	59.99	security
Commercial Holding Ltd	154,809	600	600	100.00	100.00	investment
Ferryhill Enterprises Ltd	34,312	25	25	100.00	100.00	investment
Harbour Cruise Ltd	-	-	300	-	59.99	leisure
Security & Property Protection Agency Co Ltd	-	-	25	-	59.99	security
Société Mauricienne d'Entreprise Générale Ltée	-	-	3,000	-	59.99	investment

› All the above companies are incorporated, operate in Mauritius and have June 30th as their financial year end. All shares held in the subsidiaries are ordinary shares. None of the subsidiaries have debt securities.

**6 investments in associates****THE GROUP**

MRs000	2010	2009
Share of net assets	<b>3,519,823</b>	3,520,655
Goodwill	<b>128,958</b>	128,958
Impairment loss	<b>(1,000)</b>	(1,000)
<b>At June 30th</b>	<b>3,647,781</b>	3,648,613

	share of net assets	goodwill	total	total
At July 1st	<b>3,519,655</b>	<b>128,958</b>	<b>3,648,613</b>	3,379,640
Share of net assets acquired on transfer from available-for-sale financial assets	-	-	-	99,508
Goodwill arising on transfer from available-for-sale financial assets	-	-	-	116,955
Additions during the year	<b>21,842</b>	-	<b>21,842</b>	27,047
Negative goodwill of associates	<b>11,663</b>	-	<b>11,663</b>	17,425
Dividends received in specie	<b>53,477</b>	-	<b>53,477</b>	-
Share of (loss)/profit after tax for the year	<b>(14,300)</b>	-	<b>(14,300)</b>	121,550
Dividends received	<b>(98,912)</b>	-	<b>(98,912)</b>	(71,042)
Other equity movements	<b>25,398</b>	-	<b>25,398</b>	(42,470)
<b>At June 30th</b>	<b>3,518,823</b>	<b>128,958</b>	<b>3,647,781</b>	3,648,613

**THE COMPANY**

MRs000	DEM quoted	unquoted	total	total
	2010		2010	2009
<b>Valuation</b>				
At July 1st	<b>2,269,438</b>	<b>25,473</b>	<b>2,294,911</b>	2,485,395
Transfer from available-for-sale financial assets	-	-	-	210,502
Dividends received in specie	<b>50,057</b>	-	<b>50,057</b>	-
Additions	<b>21,842</b>	-	<b>21,842</b>	27,047
Increase/(decrease) in fair value	<b>675,952</b>	<b>5,528</b>	<b>681,480</b>	(428,033)
<b>At June 30th</b>	<b>3,017,289</b>	<b>31,001</b>	<b>3,048,290</b>	2,294,911

➤ Associates quoted on the DEM market have been valued at their market prices at the reporting date or if not quoted on that day, the last preceding market price. The directors have valued the unquoted associates on an earnings, dividend yield or cost basis as appropriate.

**The fair value of the investments in associates, based on DEM quoted prices at the close of business on June 30th 2010**

MRs000	class of shares	2010	2009
Alma Investments Company Limited	ordinary	<b>277,327</b>	208,999
Excelsior United Development Companies Limited	ordinary	<b>53,900</b>	43,703
Mauritius Freeport Development Company Limited	ordinary	<b>126,148</b>	141,916
The Black River Investments Company Limited	ordinary	<b>245,941</b>	200,769
The Medine Share Holding Company Limited	ordinary	<b>356,600</b>	226,874
The Medine Share Holding Company Limited	preference	<b>27,414</b>	27,414
Medine Limited	ordinary	<b>1,310,298</b>	1,034,452
Medine Limited	preference	<b>545,504</b>	385,311
Société de Développement Industriel et Agricole Limitée	ordinary	<b>74,157</b>	-
		<b>3,017,289</b>	2,269,438

## 6 investments in associates continued

## Associates of Promotion and Development Limited

June 2010	year end	class of shares	ownership interest		percentage held	
			direct	effective	direct	effective
Alma Investments Company Limited	June	ordinary	27.41	27.70	27.41	27.70
Compagnie des Belles Plages Ltd	December	ordinary	23.91	23.91	23.91	23.91
Enterprise Data Services Ltd	June	ordinary	20.00	20.00	20.00	20.00
Excelsior United Development Companies Limited	June	ordinary	4.80	18.47	4.80	18.38
Fast Forward Ltd	September	ordinary	37.47	37.47	37.47	37.47
Industrial and Hotel Equipment Manufacturers Ltd	March	ordinary	20.00	20.00	20.00	20.00
Le Caudan Waterfront Casino Ltd	June	ordinary	-	23.90	-	23.90
Mauritius Freeport Development Company Ltd	December	ordinary	23.36	23.36	23.36	23.36
Metinox Ltd	March	ordinary	20.00	20.00	20.00	20.00
The Black River Investments Company Limited	June	ordinary	12.78	28.63	12.78	28.63
The Medine Shares Holding Company Limited	June	ordinary & preference	21.18	22.28	21.07	21.93
Medine Limited	June	ordinary & preference	17.66	32.03	14.92	30.63
Société de Développement Industriel et Agricole Limitée	June	ordinary	17.66	32.03	17.66	31.94

## June 2009

Alma Investments Company Limited	June	ordinary	27.41	27.70	27.41	27.70
Compagnie des Belles Plages Ltd	December	ordinary	23.91	23.91	23.91	23.91
Enterprise Data Services Ltd	June	ordinary	20.00	20.00	20.00	20.00
Excelsior United Development Companies Limited	June	ordinary	4.80	18.24	4.80	18.15
Fast Forward Ltd	September	ordinary	37.47	37.47	37.47	37.47
Industrial and Hotel Equipment Manufacturers Ltd	March	ordinary	20.00	20.00	20.00	20.00
Le Caudan Waterfront Casino Ltd	June	ordinary	-	23.52	-	23.52
Mauritius Freeport Development Company Ltd	December	ordinary	23.36	23.36	23.36	23.36
Metinox Ltd	March	ordinary	20.00	20.00	20.00	20.00
The Black River Investments Company Limited	June	ordinary	12.17	28.02	12.17	28.02
The Medine Shares Holding Company Limited	June	ordinary & preference	20.97	22.06	20.86	21.71
Medine Limited	June	ordinary & preference	17.56	31.72	14.87	30.33

› All the above named companies are incorporated and operate in Mauritius. Although the group holds less than 20% of the equity shares of Excelsior United Development Companies Limited, the group has significant influence on the company through board representation.

## 6 investments in associates continued

## The group's interest in its principal associates, excluding goodwill

MRs000					
2010	note	assets	liabilities	revenues	profit/(loss)
Compagnie des Belles Plages Ltd	•	-	(252)	-	-
Enterprise Data Services Ltd		17,851	(12,725)	15,025	2,399
Fast Forward Ltd	•	4,366	(10,903)	-	-
Industrial and Hotel Equipment Manufacturers Ltd	•	19,924	(10,566)	18,494	475
Le Caudan Waterfront Casino Ltd		25,586	(14,685)	54,308	(3,996)
Mauritius Freeport Development Company Ltd	•	398,300	(297,525)	90,463	812
Metinox Ltd	•	3,104	(961)	4,473	848
The Medine Group of Companies	*	3,660,789	(263,480)	324,021	(14,838)
		4,129,920	(611,097)	506,784	(14,300)
<hr/>					
2009					
Compagnie des Belles Plages Ltd	•	-	(252)	-	-
Enterprise Data Services Ltd		14,608	(10,881)	14,067	1,449
Fast Forward Ltd	•	4,366	(10,903)	-	-
Industrial and Hotel Equipment Manufacturers Ltd	•	20,502	(11,619)	28,364	4,773
Le Caudan Waterfront Casino Ltd		30,195	(15,298)	66,129	10,737
Mauritius Freeport Development Company Ltd	•	390,562	(290,602)	140,097	456
Metinox Ltd	•	3,461	(2,166)	6,348	873
The Medine Group of Companies	*	3,610,840	(213,158)	421,815	103,262
		4,074,534	(554,879)	676,820	121,550

› All the above named companies are incorporated in Mauritius.

• For those associates having different reporting dates, management accounts have been prepared as at June 30th 2010 or at a date not more than three months preceding June 30th 2010.

\* Group figures (incorporating Alma Investments Co Ltd, Excelsior United Development Co Ltd, The Black River Investments Co Ltd, The Medine Shares Holding Co Ltd, Medine Ltd, Société de Développement Industriel et Agricole Limitée (SODIA)) have been submitted for these companies.

**7 available-for-sale financial assets****A**

THE GROUP MRs000	level 1		level 3	total	total
	listed	DEM quoted	unquoted	2010	2009
<b>Valuation</b>					
At July 1st	1,273,938	98,600	141,741	<b>1,514,279</b>	1,980,969
Capitalisation of shareholders' loan	-	-	-	-	5,015
Distribution of assets	-	-	-	-	(2,120)
Additions	63,962	-	-	<b>63,962</b>	192,015
Disposals	-	-	(1,351)	<b>(1,351)</b>	(45,930)
Dividend in specie	-	-	-	-	476
Transfer to associated companies	-	-	-	-	(210,502)
Release on impairment	-	-	-	-	487
Net impairment losses (Note 7d)	(20,412)	-	(21,382)	<b>(41,794)</b>	(1,257)
Increase/(decrease) in fair value	87,404	25,412	27,138	<b>139,954</b>	(409,415)
Currency translation differences	(9,848)	-	-	<b>(9,848)</b>	4,541
<b>At June 30th</b>	<b>1,395,044</b>	<b>124,012</b>	<b>146,146</b>	<b>1,665,202</b>	1,514,279

**THE COMPANY**

<b>Valuation</b>					
At July 1st	1,138,782	41,103	120,357	<b>1,300,242</b>	1,771,703
Capitalisation of shareholders' loan	-	-	-	-	5,015
Distribution of assets	-	-	-	-	(2,120)
Additions	25,901	-	-	<b>25,901</b>	109,987
Dividend in specie	-	-	-	-	476
Disposals	-	-	(1,351)	<b>(1,351)</b>	(6,310)
Transfer to associated companies	-	-	-	-	(210,502)
Release on impairment	-	-	-	-	487
Impairment losses	-	-	-	-	(1,257)
Increase/(decrease) in fair value	79,485	20,162	27,139	<b>126,786</b>	(367,237)
<b>At June 30th</b>	<b>1,244,168</b>	<b>61,265</b>	<b>146,145</b>	<b>1,451,578</b>	1,300,242

➤ Listed shares and shares quoted on the DEM market have been valued at their market prices at the end of the reporting period or if not quoted on that day, the last preceding market price. ➤ In assessing the fair value of unquoted available-for-sale financial assets, the group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. The fair value of unquoted available-for-sale financial assets is based on earnings, dividend yield and net asset basis as appropriate.

**B Available-for-sale financial assets are denominated in the following currencies**

MRs000	2010	2009
<b>Currency</b>		
Rupee	<b>1,514,327</b>	1,357,741
UK Pound	<b>150,875</b>	114,744
Canadian Dollar	-	20,412
Euro	-	21,382
	<b>1,665,202</b>	1,514,279

**C** None of the financial assets are impaired except as disclosed in note D below.

**D** The impairment is in respect of investment made in a cable network project, which is presently under judicial administration.

**8 inventories**

MRs000	T H E G R O U P	
	2010	2009
Spares and accessories (at cost)	<b>3,396</b>	2,208
Consumables	<b>2,210</b>	1,532
Goods for resale (at cost)	<b>15,248</b>	11,110
Goods for resale (at net realisable value)	<b>1</b>	1
	<b>20,855</b>	14,851
<b>Cost of inventories recognised as expense in the statement of comprehensive income</b>		
Cost of sales	<b>10,878</b>	13,289
Operating expenses	<b>7,068</b>	4,158

› The bank borrowings are secured by floating charges over the assets of the group including inventories (note 12).

**9 trade and other receivables**

MRs000	T H E G R O U P		T H E C O M P A N Y	
	2010	2009	2010	2009
Trade receivables (including investment income)	<b>87,743</b>	67,842	<b>16,563</b>	17,771
Less provision for bad and doubtful debts	<b>(13,634)</b>	(6,144)	<b>(28)</b>	-
Trade receivables - net	<b>74,109</b>	61,698	<b>16,535</b>	17,771
Dividend receivable from subsidiary companies	-	-	<b>29,978</b>	41,498
Dividend receivable from associates	<b>1,000</b>	19,566	<b>1,000</b>	18,560
Amounts owed by subsidiary companies	-	-	<b>2,897</b>	3,953
Loans to subsidiary companies	-	-	<b>152,719</b>	99,616
Loans to associates	<b>2,104</b>	-	<b>2,104</b>	-
Payments made on account	<b>4,530</b>	11,501	<b>75</b>	9,062
Other receivables	<b>54,989</b>	111,806	<b>36,543</b>	34,471
	<b>136,732</b>	204,571	<b>241,851</b>	224,931

› The carrying amounts of trade and other receivables approximate their fair values. › As at June 30th 2010, trade receivables of MRs35.265m (2009: MRs40.962m) for the group and MRs16.535m (2009: MRs17.771m) for the company were fully performing.

## 9 trade and other receivables continued

**B Trade receivables past due but not impaired**

As of June 30th 2010, trade receivables of MRs38.133m (2009: MRs17.752m) for the group and nil for the company (2009: nil) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

MRs000	THE GROUP		THE COMPANY	
	2010	2009	2010	2009
<b>Ageing analysis of these receivables</b>				
1 to 3 months	25,119	12,888	-	-
3 to 6 months	8,720	4,505	-	-
Over 6 months	4,294	359	-	-
	<b>38,133</b>	17,752	-	-
<b>Fair value of collaterals</b>				
1 to 3 months	5,049	3,581	-	-
3 to 6 months	1,232	854	-	-
Over 6 months	1,546	359	-	-
	<b>7,827</b>	4,794	-	-

**C Trade receivables individually impaired**

As of June 30th 2010, trade receivables of MRs14.345m (2009: MRs9.128m) for the group and MRs0.03m for the company (2009: nil) were impaired. The amount of the provision was MRs13.634 m (2009: MRs6.144m) for the group and MRs0.03m(2009: nil) for the company. It was assessed that a portion of the receivables is expected to be recovered.

MRs000	THE GROUP		THE COMPANY	
	2010	2009	2010	2009
<b>Ageing analysis of these receivables</b>				
1 to 3 months	137	-	-	-
3 to 6 months	1,020	228	-	-
Over 6 months	13,188	8,900	28	-
	<b>14,345</b>	9,128	<b>28</b>	-
<b>Fair value of collaterals</b>				
Over 6 months	1,852	811	-	-
<b>Movements on the provision for impairment of trade receivables</b>				
At July 1st	6,144	5,003	-	-
Provision for receivable impairment	7,513	1,751	28	-
Receivables written off during the year as uncollectible	(10)	(283)	-	-
Unused amounts reversed	(13)	(327)	-	-
	<b>13,634</b>	6,144	<b>28</b>	-

The other classes within trade and other receivables do not contain impaired assets.

**10 share capital****THE GROUP AND THE COMPANY**

MRS000	number of shares	2010	2009
Ordinary shares of MRS5 each	<b>38,866,160</b>	<b>194,331</b>	194,331

**11 other reserves****THE GROUP**

MRS000	share premium	fair value reserve	translation reserve	capital reserves	total
At July 1st 2009	169,018	959,987	(8,325)	2,630,595	3,751,275
Group's share of movement in reserves of associates	-	-	-	(12,074)	(12,074)
Release on impairment of available-for-sale financial assets	-	26,700	2,690	-	29,390
Release on disposal of available-for-sale financial assets	-	(1,281)	-	-	(1,281)
Fair value gains on available-for-sale financial assets	-	137,800	-	-	137,800
Currency translation differences	-	-	(9,848)	-	(9,848)
<b>At June 30th 2010</b>	<b>169,018</b>	<b>1,123,206</b>	<b>(15,483)</b>	<b>2,618,521</b>	<b>3,895,262</b>

**THE COMPANY**

MRS000	share premium	fair value reserve	total
At July 1st 2009	169,018	2,921,223	3,090,241
Decrease in fair value of subsidiaries	-	(23,755)	(23,755)
Increase in fair value of associates	-	681,480	681,480
Increase in fair value of available-for-sale financial assets	-	126,786	126,786
Release on disposal of available-for-sale financial assets	-	(1,281)	(1,281)
<b>At June 30th 2010</b>	<b>169,018</b>	<b>3,704,453</b>	<b>3,873,471</b>

**12 borrowings****A**

MRs000	note	T H E G R O U P		T H E C O M P A N Y	
		2010	2009	2010	2009
Bank overdrafts	•	389,696	82,532	238,321	15,370
Short term loan		-	87,000	-	87,000
Bank loans		664,583	733,481	-	-
		<b>1,054,279</b>	903,013	<b>238,321</b>	102,370
<b>Current</b>					
Bank overdrafts		389,696	82,532	238,321	15,370
Other loans		-	87,000	-	87,000
Bank loans		60,417	68,898	-	-
		<b>450,113</b>	238,430	<b>238,321</b>	102,370
<b>Non-current</b>					
Bank loan	*	604,166	664,583	-	-
<b>Total borrowings</b>		<b>1,054,279</b>	903,013	<b>238,321</b>	102,370

**• Bank overdrafts**

The bank overdrafts are secured by floating charges over the assets of the borrowing companies including Property, plant and equipment.

**\* The maturity of non-current borrowings**

MRs000	T H E G R O U P	
	2010	2009
After one year and before two years	60,417	60,417
After two years and before three years	60,417	60,417
After three years and before five years	120,834	120,834
After five years	362,498	422,915
	<b>604,166</b>	664,583

The bank loans are secured by floating charges over the assets of the borrowing companies, bear interest at 8.125%/9.125% p.a at June 30th 2010 and at June 30th 2009.

**B The exposure of the borrowings to interest-rate changes and the contractual repricing dates are**

MRs000	T H E G R O U P		T H E C O M P A N Y	
	2010	2009	2010	2009
6 months or less	419,905	208,222	238,321	102,370
6-12 months	30,208	30,208	-	-
1-5 years	241,668	241,668	-	-
Over 5 years	362,498	422,915	-	-
	<b>1,054,279</b>	903,013	<b>238,321</b>	102,370

**C The effective interest rates at the reporting date were**

%	T H E G R O U P		T H E C O M P A N Y	
	2010	2009	2010	2009
Bank overdrafts	8.125	8.125	8.125	8.125
Bank borrowings	8.125/9.125	8.125/9.125 /10.875	-	-

**D** The carrying amounts of borrowings are not materially different from the fair value.

**13 deferred tax**

There is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets and liabilities when the deferred income taxes relate to the same fiscal authority of the same entity. The following amounts are shown in the statements of financial position.

MRs000	THE GROUP		THE COMPANY	
	2010	2009	2010	2009
Deferred tax assets	<b>(6,140)</b>	(3,037)	<b>(2,475)</b>	(1,413)
Deferred tax liabilities	<b>246,486</b>	239,841	<b>11,027</b>	9,923
	<b>240,346</b>	236,804	<b>8,552</b>	8,510

› Deferred income taxes are calculated on all temporary differences under the liability method at 15%.

**Movement on the deferred income tax account**

MRs000	THE GROUP		THE COMPANY	
	2010	2009	2010	2009
At July 1st	<b>236,804</b>	219,376	<b>8,510</b>	(1,124)
Charge to statements of comprehensive income	<b>3,542</b>	17,428	<b>42</b>	9,634
<b>At June 30th</b>	<b>240,346</b>	236,804	<b>8,552</b>	8,510

**Deferred tax assets and liabilities, deferred tax (credit) /charge in the statements of comprehensive income are attributable to**

MRs000	at July 1st (credit)/charge 2009 to statements of comprehensive income		at June 30th 2010
	THE GROUP		
Deferred tax (assets)/liabilities			
Accelerated capital allowances	16,168	6,795	<b>22,963</b>
Provisions	(3,037)	(2,340)	<b>(5,377)</b>
Tax losses carried forward	-	(763)	<b>(763)</b>
Fair value gains	223,673	(150)	<b>223,523</b>
	236,804	3,542	<b>240,346</b>
	THE COMPANY		
Deferred tax (assets)/liabilities			
Accelerated capital allowances	961	1,254	<b>2,215</b>
Provisions	(1,413)	(299)	<b>(1,712)</b>
Fair value gains	8,962	(150)	<b>8,812</b>
Tax losses carried forward	-	(763)	<b>(763)</b>
	8,510	42	<b>8,552</b>

**14 retirement benefit obligations**

MRs000	note	THE GROUP		THE COMPANY	
		2010	2009	2010	2009
<b>Amounts recognised in the statements of financial position</b>					
Pension benefits	14A	<b>12,131</b>	8,104	<b>11,346</b>	7,721
Other post retirement benefits (gratuity on retirement)	14B	<b>7,863</b>	4,778	-	-
		<b>19,994</b>	12,882	<b>11,346</b>	7,721
<b>Analysed as follows</b>					
Current liabilities	15	<b>785</b>	383	-	-
Non-current liabilities		<b>19,209</b>	12,499	<b>11,346</b>	7,721
		<b>19,994</b>	12,882	<b>11,346</b>	7,721
<b>Statement of comprehensive income charge</b>					
Pension benefits	14A	<b>11,893</b>	10,711	<b>7,469</b>	6,135
Other post retirement benefits (gratuity on retirement)	14B	<b>3,158</b>	2,075	-	-
		<b>15,051</b>	12,786	<b>7,469</b>	6,135

## 14 retirement benefit obligations continued

**A Pension benefits**

The assets of the fund are held independently and administered by a superannuation fund.

	THE GROUP		THE COMPANY	
MRs000	2010	2009	2010	2009
<b>Amounts recognised in the statements of financial position</b>				
Present value of funded obligations	<b>59,829</b>	50,493	<b>59,829</b>	50,493
Fair value of plan assets	<b>(39,270)</b>	(32,932)	<b>(39,270)</b>	(32,932)
	<b>20,559</b>	17,561	<b>20,559</b>	17,561
Present value of unfunded obligations	<b>2,105</b>	2,003	<b>2,105</b>	2,003
Unrecognised actuarial loss	<b>(11,318)</b>	(11,843)	<b>(11,318)</b>	(11,843)
	<b>11,346</b>	7,721	<b>11,346</b>	7,721
Contributions outstanding	<b>785</b>	383	-	-
Liability in the statements of financial position	<b>12,131</b>	8,104	<b>11,346</b>	7,721
<b>The movement in the defined benefit obligation over the year</b>				
At July 1st	<b>52,496</b>	42,333	<b>52,496</b>	42,333
Current service cost	<b>5,102</b>	4,843	<b>5,102</b>	4,843
Interest cost	<b>5,234</b>	4,411	<b>5,234</b>	4,411
Benefits paid	<b>(299)</b>	(357)	<b>(299)</b>	(357)
Liability (gain)/loss	<b>(599)</b>	1,266	<b>(599)</b>	1,266
At June 30th	<b>61,934</b>	52,496	<b>61,934</b>	52,496
<b>The movement in the fair value of plan assets over the year</b>				
At July 1st	<b>32,932</b>	30,275	<b>32,932</b>	30,275
Expected return on plan assets	<b>3,466</b>	3,342	<b>3,466</b>	3,342
Employer contributions	<b>3,844</b>	3,829	<b>3,844</b>	3,829
Benefits paid	<b>(299)</b>	(357)	<b>(299)</b>	(357)
Asset gain	<b>(673)</b>	(4,157)	<b>(673)</b>	(4,157)
At June 30th	<b>39,270</b>	32,932	<b>39,270</b>	32,932
<b>Amounts recognised in the statements of comprehensive income</b>				
Current service costs	<b>9,526</b>	9,419	<b>5,102</b>	4,843
Interest costs	<b>5,234</b>	4,411	<b>5,234</b>	4,411
Expected return on plan assets	<b>(3,466)</b>	(3,342)	<b>(3,466)</b>	(3,342)
Actuarial loss recognised	<b>599</b>	223	<b>599</b>	223
Total included in staff costs	<b>11,893</b>	10,711	<b>7,469</b>	6,135
<b>Actual return on plan assets</b>			<b>2,793</b>	(815)
<b>%</b>			<b>2010</b>	2009
<b>Assets in the plan</b>				
Local equities			<b>23.0</b>	25.0
Local bonds			<b>14.0</b>	18.0
Property			<b>5.0</b>	4.0
Loan			<b>1.0</b>	3.0
Overseas bonds and equities			<b>40.0</b>	31.0
Other			<b>17.0</b>	19.0
Total			<b>100.0</b>	100.0

➤ Pension plan assets include the company's ordinary shares with a fair value of MRs0.65m (2009: MRs0.58m). ➤ The assets of the plan are invested in shares, bonds (foreign and local) and property. The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields at the end of the reporting period. Expected returns on equity and property investments reflect long-term real rates of return experienced in the respective markets. ➤ Expected contributions to post-employment benefits plans for the year ending June 30th 2011 are MRs4,166,000.

## 14 retirement benefit obligations continued

MRs000	T H E G R O U P A N D T H E C O M P A N Y				
	2010	2009	2008	2007	2006
<b>Amounts for the current and previous years</b>					
Present value of defined benefit obligation	<b>61,934</b>	52,496	42,333	28,322	21,295
Fair value of plan assets	<b>(39,270)</b>	(32,932)	(30,275)	(26,823)	(19,005)
Deficit	<b>22,664</b>	19,564	12,058	1,499	2,290
Experience adjustment on plan liabilities	<b>646</b>	(471)	(6,968)	(1,251)	-
Experience adjustment on plan assets	<b>(673)</b>	(4,157)	(2,732)	3,036	-
%	<b>2010</b>	2009	2008	2007	2006
<b>The principal actuarial assumptions used for accounting purposes</b>					
Discount rate	<b>10.5</b>	10.0	10.5	10.5	10.0
Expected return on plan assets	<b>10.5</b>	10.0	10.5	10.5	10.0
Future salary increases	<b>9.0</b>	8.5	9.0	9.0	8.5
Future pension increases	<b>6.0</b>	5.5	6.0	6.0	5.5

**B Other post retirement benefits (gratuity on retirement)**

Other post retirement benefits comprise of severance allowances payable under the Employment Rights Act 2008.

MRs000	T H E G R O U P		T H E C O M P A N Y	
	2010	2009	2010	2009
<b>Movement in the severance allowances</b>				
At July 1st	<b>4,778</b>	2,703	-	-
Gratuity on retirement paid	<b>(73)</b>	-	-	-
Total expense charged in the statements of comprehensive income	<b>3,158</b>	2,075	-	-
At June 30th	<b>7,863</b>	4,778	-	-

› It has been assumed that the rate of future salary increases will be equal to the discount rate.

## 15 trade and other payables

MRs000	note	T H E G R O U P		T H E C O M P A N Y	
		2010	2009	2010	2009
Amounts owed to subsidiaries		-	-	<b>1,428</b>	1,524
Dividend payable to minority		<b>19,191</b>	19,673	-	-
Social security and other taxes		<b>4,211</b>	3,941	<b>232</b>	245
Retirement benefit obligations	14	<b>785</b>	383	-	-
Other payables		<b>90,248</b>	117,929	<b>14,134</b>	24,305
		<b>114,435</b>	141,926	<b>15,794</b>	26,074

› Trade and other payables are interest free and have settlement dates within one year. › The carrying amounts of trade and other payables approximate their fair values.

**16 dividend paid and proposed**

MRs000	2010	2009
Interim ordinary dividend of MRe1.00 per share paid on February 16th 2010 (2009: MRe1.00)	<b>38,866</b>	38,866
Final ordinary dividend of MRe1.00 per share paid on August 11th 2010 (2009: MRs1.75)	<b>38,866</b>	68,016
Total ordinary dividend of MRs2.00 per share (2009: MRs2.75 per share)	<b>77,732</b>	106,882

➤ On June 23rd, 2010, the directors declared a final dividend of MRe1.00 per share in respect of the year ended June 30th 2010. ➤ This dividend has been recognised as a liability at June 30th 2010 in accordance with IAS 10.

**17 finance income and costs**

MRs000	THE GROUP		THE COMPANY	
	2010	2009	2010	2009
<b>Finance costs</b>				
Bank overdrafts	<b>21,815</b>	20,321	<b>13,895</b>	17,277
Bank and other loans repayable by instalments	<b>64,210</b>	56,933	<b>2,479</b>	8,700
Total borrowing costs	<b>86,025</b>	77,254	<b>16,374</b>	25,977
Less: amounts included in the cost of qualifying assets	<b>(1,643)</b>	(15,917)	-	-
	<b>84,382</b>	61,337	<b>16,374</b>	25,977
Net foreign exchange transaction loss/(gain)	<b>440</b>	9,284	<b>69</b>	(1,672)
	<b>84,822</b>	70,621	<b>16,443</b>	24,305
<b>Finance income</b>	<b>1,183</b>	5,027	<b>1,434</b>	31,138

**18 profit before taxation**

MRs000	note	THE GROUP		THE COMPANY	
		2010	2009	2010	2009
<b>Profit before taxation is arrived at after crediting</b>					
Rent from properties		<b>246,193</b>	225,737	<b>4,598</b>	4,612
Dividend income					
- listed		<b>50,395</b>	54,995	<b>72,592</b>	73,296
- DEM quoted		<b>3,815</b>	10,054	<b>44,648</b>	59,814
- unquoted		<b>7,027</b>	9,013	<b>12,827</b>	30,313
Profit on disposal of property, plant and equipment		<b>161</b>	96	<b>328</b>	96
<b>and charging</b>					
Property lease rentals		<b>336</b>	2,279	<b>336</b>	2,600
Loss on disposal of property, plant and equipment		-	225	-	-
Depreciation on property, plant and equipment					
- owned assets	2	<b>15,436</b>	10,918	<b>4,805</b>	1,906
Amortisation of intangibles	4	<b>332</b>	278	<b>171</b>	151
Corporate Social Responsibility		<b>4,147</b>	-	<b>2,587</b>	-
Employee benefit expense	18A	<b>204,726</b>	173,048	<b>37,588</b>	30,414

## 18 profit before taxation continued

## A Analysis of employee benefit expense

MRs000	THE GROUP		THE COMPANY	
	2010	2009	2010	2009
Wages and salaries	<b>180,703</b>	153,562	<b>29,637</b>	23,895
Social security costs	<b>8,972</b>	6,700	<b>482</b>	384
Retirement benefits	<b>15,051</b>	12,786	<b>7,469</b>	6,135
	<b>204,726</b>	173,048	<b>37,588</b>	30,414

## 19 taxation

MRs000	note	THE GROUP		THE COMPANY	
		2010	2009	2010	2009
Based on the profit for the year, as adjusted for tax purposes, at 15% (2009: 15%)		<b>2,422</b>	7,593	-	3,427
Alternative minimum tax (AMT)		<b>3,723</b>	3,727	-	-
Underprovision of tax in previous year		<b>205</b>	4,409	-	-
Deferred tax	13	<b>3,542</b>	17,428	<b>42</b>	9,634
Charge for the year		<b>9,892</b>	33,157	<b>42</b>	13,061

› Reconciliation between the actual rate of income tax of the group of (151.86%) (2009:9.68%) and company of 0.03% (2009: 6.28%) and the applicable income tax rate of the group and company of 15% .

%	THE GROUP		THE COMPANY	
	2010	2009	2010	2009
Applicable income tax rate	<b>15.00</b>	15.00	<b>15.00</b>	15.00
Impact of				
Expenses not allowable	<b>(301.74)</b>	4.35	<b>6.89</b>	3.48
Balancing charge	<b>0.03</b>	-	-	0.01
Other differences	<b>10.97</b>	(0.56)	<b>(0.12)</b>	-
Exempt income	<b>140.05</b>	(4.43)	<b>(21.74)</b>	(12.21)
Associates' results reported net of tax	<b>(6.06)</b>	(6.08)	-	-
Underprovision prior year	<b>(7.04)</b>	1.29	-	-
Unprovided deferred tax	<b>5.35</b>	-	-	-
Alternative minimum tax	<b>(8.42)</b>	0.11	-	-
Actual income tax rate	<b>(151.86)</b>	9.68	<b>0.03</b>	6.28

**20 other comprehensive income**

**A** The income tax effect relating to components of other comprehensive income is nil.

**B Fair value reserves**

Fair value reserves comprise of the cumulative net change in fair value of investments in financial assets that has been recognised in other comprehensive income until the investments are derecognised or impaired.

**C Translation of foreign operations**

The translation reserve comprises of all foreign currency difference arising from the translation of foreign operations.

**21 (loss)/earnings per share**

(Loss)/earnings per share is calculated on the basis of (loss)/profit attributable to shareholders divided by the weighted average number of shares in issue and ranking for dividends.

MRs000	THE GROUP	
	2010	2009
(Loss)/profit attributable to owners of the parent	<b>(35,967)</b>	268,532
Number of shares in issue during the year	<b>38,866,160</b>	38,866,160

**22 retained earnings**

MRs000	holding company	subsidiary companies	associated companies	the group
At July 1st 2009	1,535,139	1,231,190	685,925	3,452,254
Consolidation adjustment on release of fair value on dissolution of associate	-	-	-	(493,309)
	1,535,139	1,231,190	685,925	2,958,945
Loss for the year	126,110	(60,525)	(101,552)	(35,967)
Effect of increase in shareholding of subsidiary company	-	15,247	-	15,247
Group's share of movement in reserves of associates	-	-	37,472	37,472
Dividend	(77,732)	-	-	(77,732)
<b>At June 30th 2010</b>	<b>1,583,517</b>	<b>1,185,912</b>	<b>621,845</b>	<b>2,897,965</b>

## 23 segment reporting

## Business segments

## 2010

MRs000	property	shares	security	other	eliminations	total
Revenues						
External sales	246,193	61,237	181,197	2,548	-	<b>491,175</b>
Intersegment sales	2,572	80,215	19,919	8,985	(111,691)	-
Total revenues	248,765	141,452	201,116	11,533	(111,691)	<b>491,175</b>
Segment result	106,102	109,198	2,445	11,533	(81,008)	<b>148,270</b>
Share of results of associates	-	11,028	-	(25,328)	-	<b>(14,300)</b>
Negative goodwill of associates	-	9,621	-	2,042	-	<b>11,663</b>
Profit on disposal of shares	-	1,281	-	-	-	<b>1,281</b>
Impairment of available-for-sale financial assets	-	(71,184)	-	-	-	<b>(71,184)</b>
Profit on disposal of properties	1,395	-	-	-	-	<b>1,395</b>
	107,497	59,944	2,445	(11,753)	(81,008)	<b>77,125</b>
Finance income						<b>1,183</b>
Finance costs						<b>(84,822)</b>
Loss before taxation						<b>(6,514)</b>
Taxation						<b>(9,892)</b>
Loss for the year						<b>(16,406)</b>
Attributable to						
Owners of the parent						<b>(35,967)</b>
Non-controlling interests						<b>19,561</b>
						<b>(16,406)</b>

MRs000	property	shares	security	other	total
Segment assets	4,053,436	1,748,031	101,791	-	<b>5,903,258</b>
Associates	(252)	1,546,239	-	2,101,794	<b>3,647,781</b>
	4,053,184	3,294,270	101,791	2,101,794	<b>9,551,039</b>
Segment liabilities	1,273,104	137,184	19,205	-	<b>1,429,493</b>
Dividend proposed					<b>38,866</b>
					<b>1,468,359</b>
Capital expenditure	59,593	14,493	17,644	-	<b>91,730</b>
Depreciation and amortisation	5,348	2,488	7,932	-	<b>15,768</b>

## Geographical segments

MRs000	Mauritius	UK	total
Revenues	488,194	2,981	<b>491,175</b>
Total assets	9,399,887	151,152	<b>9,551,039</b>
Capital expenditure	91,730	-	<b>91,730</b>

## 23 segment reporting continued

**Business segments****2009**

MRs000	property	shares	security	other	eliminations	total
Revenues						
External sales	225,737	74,062	169,370	3,475	-	<b>472,644</b>
Intersegment sales	128	107,853	16,533	10,389	(134,903)	-
Total revenues	225,865	181,915	185,903	13,864	(134,903)	<b>472,644</b>
Segment result	98,562	163,024	12,085	13,864	(110,009)	<b>177,526</b>
Share of results of associates	-	57,467	-	64,083	-	<b>121,550</b>
Negative goodwill of associates	-	13,685	-	3,740	-	<b>17,425</b>
Loss on disposal of shares	-	(32,236)	-	-	-	<b>(32,236)</b>
Net gain from fair value adjustment on investment property	123,720	-	-	-	-	<b>123,720</b>
	222,282	201,940	12,085	81,687	(110,009)	<b>407,985</b>
Finance income						<b>5,027</b>
Finance costs						<b>(70,621)</b>
Profit before taxation						<b>342,391</b>
Taxation						<b>(33,157)</b>
Profit for the year						<b>309,234</b>
Attributable to						
Owners of the parent						<b>268,532</b>
Non-controlling interests						<b>40,702</b>
						<b>309,234</b>

MRs000	property	shares	security	other	total
Segment assets	4,084,453	1,581,452	77,751	-	<b>5,743,656</b>
Associates	(252)	1,520,114	-	2,128,751	<b>3,648,613</b>
	4,084,201	3,101,566	77,751	2,128,751	<b>9,392,269</b>
Segment liabilities	1,217,941	59,189	22,231	-	<b>1,299,361</b>
Dividend proposed					<b>68,016</b>
					<b>1,367,377</b>
Capital expenditure	132,954	31,626	10,762	-	<b>175,342</b>
Depreciation and amortisation	5,138	823	5,235	-	<b>11,196</b>
Impairment charge	-	-	693	-	<b>693</b>

**Geographical segments**

MRs000	Mauritius	UK	Canada	total
Revenues	466,247	6,397	-	<b>472,644</b>
Total assets	9,257,113	114,744	20,412	<b>9,392,269</b>
Capital expenditure	175,342	-	-	<b>175,342</b>

## 23 segment reporting continued

**Products and services from which reportable segments derive their revenues**

In prior years, segment information reported externally was analysed on the basis of activities undertaken by each of the group's operating divisions and the same information was provided to management.

The group's reportable segments under IFRS 8 are as follows:

<b>Segment</b>	<b>Activity</b>
Property	Rental income
Shares	Dividend income
Security	Security and property protection services and sales of equipment.

Other operations include management fee contract between the company and its subsidiaries and also other activities of the group's associates.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies. Intersegment sales and transfers are accounted as if the sales or transfers were to third parties at current market prices.

**Factors that management used to identify the entity's reportable segments**

Reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

**Basis of accounting for any transactions between reportable segments**

The group has presently no policy in respect of transfer pricing.

## 24 commitments and contingencies

MRs000	THE GROUP		THE COMPANY	
	2010	2009	2010	2009
<b>A Capital commitments</b>				
Capital expenditure contracted for at the end of the reporting period but not recognised in the financial statements				
Property, plant and equipment	<b>8,500</b>	33,998	-	10,818
<b>B Operating lease commitments</b>				
Future minimum lease payments under non-cancellable operating leases				
- within one year	<b>450</b>	450	-	-
- between one and two years	<b>450</b>	450	-	-
- between two and five years	<b>900</b>	1,350	-	-
	<b>1,800</b>	2,250	-	-

› The subsidiary company leases land at Le Caudan Waterfront under non-cancellable operating lease agreements. › The leases have varying terms, escalation clauses and renewable rights. There are no restrictions imposed on the group by the lease arrangements other than in respect of the specific land being leased.

## 25 related party transactions

MRs000	sale/ (purchase) of property plant & equipment	purchase of goods or services	sale of goods or services	interest income	payment in respect of investment property	manage- ment fees/ financial costs	loans and overdrafts	amount owed to related parties	amount owed by related parties	emolu- ments and benefits
<b>THE GROUP</b>										
<b>2010</b>										
Associates	(2,535)	(158)	34,276	-	(556)	2,264	-	-	2,207	-
Shareholders with significant influence	-	(431)	2,811	70	-	(83,157)	(1,054,279)	(1,049)	1,216	-
Directors and key management personnel	-	-	168	-	-	-	-	-	-	(34,631)
Enterprises in which directors/key management personnel (and close families) have significant interest	-	(1,151)	-	-	(27)	-	-	-	-	-
<b>2009</b>										
Associates	-	(351)	33,926	-	(2,654)	1,080	-	-	18,560	-
Shareholders with significant influence	-	(768)	2,681	-	-	(69,472)	(903,013)	(993)	-	-
Directors and key management personnel	-	-	203	-	-	-	-	-	-	(29,715)
Enterprises in which directors/key management personnel (and close families) have significant interest	-	(760)	-	-	(2,517)	-	-	-	-	-

## THE COMPANY

## 2010

Associates	(1,777)	-	1,131	-	-	2,264	-	-	2,104	-
Shareholders with significant influence	-	(431)	-	-	-	(14,815)	(238,321)	(985)	-	-
Subsidiary	371	-	2,458	1,278	-	8,986	-	(1,428)	155,616	-
Directors and key management personnel	-	-	-	-	-	-	-	-	-	(28,459)
Enterprises in which directors/key management personnel (and close families) have significant interest	-	(463)	-	-	-	-	-	-	-	-
<b>2009</b>										
Associates	-	-	1,168	-	-	1,080	-	-	-	-
Shareholders with significant influence	-	(398)	-	-	-	(18,198)	(102,370)	(993)	-	-
Subsidiary	-	(320)	2,458	31,124	-	10,389	-	(1,524)	103,569	-
Directors and key management personnel	-	-	-	-	-	-	-	-	-	(24,124)
Enterprises in which directors/key management personnel (and close families) have significant interest	-	(247)	-	-	-	-	-	-	-	-

➤ There were no significant contracts or transactions during the year involving the company or its subsidiaries and the directors or their related parties outside the ordinary course of business. There is a management fee contract between the company and our subsidiary, Caudan Development Ltd. The management fees charged to Caudan Development Ltd are equivalent to 5% of the net income after operating costs, but before interest, depreciation and tax plus 2.5% of the cost of construction, excluding professional fees, government fees and interest. ➤ The key management personnel compensation consists only of salaries and employment benefits. None of the investments in associates have been impaired during the year. ➤ There have been no guarantees provided or received for any related party receivables or payables. ➤ Loan to related parties are unsecured and bears interest at 8.125% per annum.

➤ For the year ended June 30th 2010, the group has not recorded any impairment of receivables relating to amounts owed by related parties (2009: nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

## 25 related party transactions continued

## Key management personnel compensation

MRs000	T H E G R O U P		T H E C O M P A N Y	
	2010	2009	2010	2009
<b>Remuneration and other benefits relating to key management personnel, including directors</b>				
Salaries and short term employee benefits	28,901	24,425	24,301	20,206
Post employment benefits	5,730	5,290	4,158	3,918
	<b>34,631</b>	29,715	<b>28,459</b>	24,124

## 26 three year results of published statements and assets and liabilities

MRs000	2010	T H E G R O U P	
		2009	2008
Statement of comprehensive income			
Turnover	491,175	472,644	378,095
(Loss)/profit before taxation	(6,514)	342,391	1,121,795
Share of results of associates	(14,300)	121,550	45,771
Taxation	(9,892)	(33,157)	(114,046)
(Loss)/profit for the year	(16,406)	309,234	1,007,749
Non-controlling interests	19,561	40,702	301,385
(Loss)/profit attributable to owners of the parent	(35,967)	268,532	706,364
Total comprehensive income attributable to owners of the parent	145,492	(154,709)	871,703
Rate of dividend (%)	40	55	40
Dividend per share (MRs)	2.00	2.75	2.00
(Loss)/earnings per share (MRs)	(0.93)	6.91	18.17
Statement of financial position			
Non-current assets	9,392,136	9,170,544	9,216,592
Current assets	158,903	221,725	141,821
Non-current assets classified as held for sale	-	-	5,682
Total assets	9,551,039	9,392,269	9,364,095
Equity attributable to owners of the parent	6,987,558	6,904,551	7,166,142
Non-controlling interests	1,095,122	1,120,341	1,097,251
Non-current liabilities	863,973	915,043	749,221
Current liabilities	604,386	452,334	351,481
Total equity and liabilities	9,551,039	9,392,269	9,364,095

**directors of subsidiaries**

Directors of subsidiaries holding office at the end of the reporting period

**Caudan Development Limited**

Jean-Pierre Montocchio  
Bertrand de Chazal  
Arnaud Dalais  
Hector Espitalier-Noël  
Antoine Harel  
René Leclézio  
Iqbal Mallam-Hasham  
Jocelyne Martin  
Antoine Seeyave  
Adolphe Vallet  
Bernard Yen

**Caudan Leisure Limited and Ferryhill Enterprises Limited**

René Leclézio  
Jocelyne Martin

**Caudan Security Services Limited & Security and Property Protection Agency Co Ltd**

Philippe de Labauve d'Arifat  
René Leclézio  
Appanah Yerriah

**Harbour Cruise Ltd**

Philippe de Labauve d'Arifat  
René Leclézio

**Société Mauricienne d'Entreprise Générale Ltée & Best Sellers Limited**

Arnaud Dalais  
René Leclézio

**Commercial Holding Limited**

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