

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

## 21 LEASE

The Group and the Bank lease building and the average lease term is 3 years. The Group and the Bank do not have the option to purchase the leased assets at the end of the lease term. The Group and the Bank's obligations are secured by the lessor's title to the leased assets for such leases.

### RIGHT OF USE ASSETS

	THE GROUP AND THE BANK	
	2021	2020
	MUR'000	MUR'000
<b>COST</b>		
At 1 July	113,596	92,766
Additions	72	20,830
Remeasurement of right of use assets	415	-
Lease terminated	(4,918)	-
Lease expired	(8,664)	-
<b>At 30 June</b>	<b>100,501</b>	<b>113,596</b>
<b>ACCUMULATED DEPRECIATION</b>		
At 1 July	33,579	-
Charge for the year	34,140	33,579
Lease terminated	(3,072)	-
Lease expired	(8,664)	-
<b>At 30 June</b>	<b>55,983</b>	<b>33,579</b>
<b>CARRYING AMOUNT</b>		
<b>AT 30 June</b>	<b>44,518</b>	<b>80,017</b>

One of the lease contracts for property was terminated and 2 lease contracts have expired during the current financial year. The additions to the lease contracts relate to the CPI adjustments to the rental payments for one property lease contract.

There are no variable lease payments in the lease contracts of the Group and the Bank.

### LEASE LIABILITIES

	THE GROUP AND THE BANK	
	2021	2020
	MUR'000	MUR'000
<b>Analysed as:</b>		
Non-current	19,975	48,501
Current	27,683	34,070
	<b>47,658</b>	<b>82,571</b>
<b>Disclosure required by IFRS 16</b>		
Maturity analysis		
Year 1	29,621	37,526
Year 2	15,568	30,647
Year 3	5,189	15,568
Year 4	-	5,189
	<b>50,378</b>	<b>88,930</b>
Less unearned interest	(2,720)	(6,359)
	<b>47,658</b>	<b>82,571</b>

The Group and the Bank do not face a significant liquidity risk with regard to its lease liabilities. The leases are denominated in MUR and ZAR.

For disclosure under IAS 17, please refer to Note 35 - Contingent liabilities and commitments.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

## 21 LEASE (Cont'd)

### RECONCILIATION OF FINANCIAL LIABILITIES ARISING FROM FINANCING ACTIVITIES

#### LEASE LIABILITY

	THE GROUP AND THE BANK							
	Opening balance 01 July	Financing cash flows			Non-Cash changes			Closing Balance 30 June
		Additions	Lease repayments	Adoption of IFRS 16	Remeasurement of lease liabilities	Lease terminated	Interest Accrued	
<b>2021</b>	<b>82,571</b>	<b>72</b>	<b>(37,404)</b>	<b>-</b>	<b>415</b>	<b>(1,822)</b>	<b>3,825</b>	<b>47,658</b>
2020	-	20,830	(36,085)	92,766	-	-	5,060	82,571

#### AMOUNTS RECOGNISED IN PROFIT OR LOSS

Depreciation expense on right-of-use assets	32,912
Depreciation expense on right-of-use assets - staff benefits	1,228
Interest expense on lease liabilities (Note 4(b))	3,798
Interest expense accounted under staff costs	89
	<b>38,027</b>

THE GROUP AND THE BANK	
2021	2020
MUR'000	MUR'000
32,912	31,735
1,228	1,844
3,798	4,845
89	215
<b>38,027</b>	<b>38,639</b>

## 22 OTHER ASSETS

Mandatory balances with the Central Bank	2,276,930
Trade receivable (net)	-
Contract assets	-
Current tax receivable (Note 11)	-
Indirect and other taxes receivable	98,960
Due from credit card service provider	-
Prepaid expenses	56,732
Other receivables	39,332
Amount due from subsidiaries	-

	THE GROUP			THE BANK		
	2021	2020	2019	2021	2020	2019
	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000
2,276,930	2,174,086	1,865,835	2,276,930	2,174,086	1,865,835	
-	874	146	-	-	-	
-	9,110	11,908	-	-	-	
-	-	3,866	-	-	-	
98,960	84,393	73,870	98,960	84,393	73,870	
-	12,510	25,866	-	12,510	25,866	
56,732	43,331	37,183	56,732	42,936	36,722	
39,332	28,777	23,541	39,332	32,712	18,544	
-	-	-	-	922	85,885	
<b>2,471,954</b>	<b>2,353,081</b>	<b>2,042,215</b>	<b>2,471,954</b>	<b>2,347,559</b>	<b>2,106,722</b>	