

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			Interest Accrued	Closing Balance 30 June
		Additions	Lease repayments	Adoption of IFRS 16	Remeasurement of lease liabilities	Lease terminated		
2021	82,571	72	(37,404)	-	415	(1,822)	3,825	47,658
2020	-	20,830	(36,085)	92,766	-	-	5,060	82,571

AMOUNTS RECOGNISED IN PROFIT OR LOSS

Depreciation expense on right-of-use assets
 Depreciation expense on right-of-use assets - staff
 benefits
 Interest expense on lease liabilities (Note 4(b))
 Interest expense accounted under staff costs

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
38,027	38,639

22 OTHER ASSETS

Mandatory balances with the Central Bank
 Trade receivable (net)
 Contract assets
 Current tax receivable (Note 11)
 Indirect and other taxes receivable
 Due from credit card service provider
 Prepaid expenses
 Other receivables
 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
Mandatory balances with the Central Bank	2,276,930	2,174,086	1,865,835	2,276,930	2,174,086	1,865,835
Trade receivable (net)	-	874	146	-	-	-
Contract assets	-	9,110	11,908	-	-	-
Current tax receivable (Note 11)	-	-	3,866	-	-	-
Indirect and other taxes receivable	98,960	84,393	73,870	98,960	84,393	73,870
Due from credit card service provider	-	12,510	25,866	-	12,510	25,866
Prepaid expenses	56,732	43,331	37,183	56,732	42,936	36,722
Other receivables	39,332	28,777	23,541	39,332	32,712	18,544
Amount due from subsidiaries	-	-	-	-	922	85,885
	2,471,954	2,353,081	2,042,215	2,471,954	2,347,559	2,106,722

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

22 OTHER ASSETS (Cont'd)

Mandatory balances with the central bank are not available for use in the Bank's day-to-day operations. Mandatory balances with the Central Bank are based on the daily ratio applied for the maintenance of minimum rupee and foreign currency balances as at 30 June 2021, 2020 and 2019 respectively.

During the year ended 30 June 2021, an impairment review has been performed on the amount due from subsidiaries, as a result of a fall in its financial performance. The movement in impairment loss is as follows:

	2021	2020	2019
	MUR'000	MUR'000	MUR'000
Loss allowance as at 1 July	47,718	50,000	-
Impairment during the year	-	91,473	103,000
Financial assets that have been repaid	-	(58,416)	-
Write off	-	(44,000)	(53,000)
Other movement	3,098	8,661	-
Loss allowance as at 30 June	50,816	47,718	50,000

Receivable from subsidiary is nil (2020: MUR 922m and 2019: MUR 86m) bears interest at 3.60%, is unsecured and is repayable on demand. Receivable from subsidiary is nil (2020: MUR 1m and 2019: MUR 1m) and is unsecured, interest free and payable on demand.

At 30 June 2021, there was a receivable from a director of MUR 3.7m which was fully provided as management has assessed the recoverability to be doubtful.

THE GROUP

	< 30 days	31 - 60 days	61 - 90 days	> 90 days	Total
	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000
2020	789	-	80	5	874
2019	-	33	77	36	146

The credit term is 30 days and the average credit period is 90 days.

Contract assets are initially recognised for revenue as per the agreement in place between the subsidiary and its customers. Upon invoicing of the fees, the amount recognised as contract assets are reclassified to trade receivables.

The ageing of trade receivables are as follows:

	2021	2020	2019
	MUR'000	MUR'000	MUR'000
Movement in allowance for expected credit loss			
Loss allowance as at 1 July	96	36	101
Movement in ECL during the year (Note 8)	-	60	(65)
Disposal of subsidiary	(96)	-	-
Loss allowance as at 30 June	-	96	36