

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	2017	2016
	Rs	Rs
ASSETS		
Non-current assets		
Property, plant and equipment	11,124,741	4,597,388
Intangible assets	856,778	1,277,878
Deferred tax	544,050	544,050
Total non-current assets	12,525,569	6,419,316
Current assets		
Other receivables	22,270,737	8,182,054
Deposit with financial institutions	20,001,200	20,212,200
Cash and cash equivalents	64,774,499	60,432,452
Total current assets	107,046,436	88,826,706
TOTAL ASSETS	119,572,005	95,246,022
EQUITY AND LIABILITIES		
Equity		
Stated capital	47,025,000	47,025,000
Retained earnings	24,065,015	21,043,530
Total equity	71,090,015	68,068,530
Non-current liabilities		
Obligations under finance lease	2,676,682	-
Deferred tax	706,497	614,725
Retirement benefit obligations	3,539,471	3,832,676
Total non-current liabilities	6,922,650	4,447,401
Current liabilities		
Obligations under finance lease	312,620	-
Trade and other payables	41,246,720	22,665,029
Current tax liability	-	65,063
Total current liabilities	41,559,340	22,730,092
TOTAL EQUITY AND LIABILITIES	119,572,005	95,246,022

Approved by the Board of Directors on 23 March 2018

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Harish Bhojroo
Chief Executive Officer

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Ashvinath Geerjanan
Director

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Ashvin Metturjeet
Director

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

	Stated capital	Retained earnings	Total
	Rs	Rs	Rs
At 1 January 2016	47,025,000	32,085,485	79,110,485
Total comprehensive loss for the year	-	(11,041,955)	(11,041,955)
At 31 December 2016	47,025,000	21,043,530	68,068,530
Total comprehensive income for the year	-	3,021,485	3,021,485
At 31 December 2017	47,025,000	24,065,015	71,090,015

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2017

	2017	2016
	Rs	Rs
Cash flows from operating activities		
Profit / (loss) before tax	3,113,257	(10,814,958)
Adjustment for:-		
Depreciation and amortisation	3,526,886	2,741,558
Overprovision of tax	(65,063)	-
Interest received	(4,091,018)	-
Retirement benefits obligations	(293,205)	205,676
Operating profit / (loss) before working capital changes	2,190,857	(7,867,725)
(Increase) / decrease in other receivables	(14,088,683)	580,950
Increase in other payables	18,581,691	5,303,832
Cash generated from / (absorbed into) operations	6,683,865	(1,982,943)
Interest received	4,091,018	-
Taxation	-	(188,538)
Net cash generated from / (used in) operating activities	10,774,883	(2,171,481)
Investing activities		
Purchase of property, plant and equipment	(9,557,768)	(2,271,979)
Purchase of intangible assets	(75,370)	-
Deposit with financial institutions	211,000	(812,200)
Net cash used in investing activities	(9,422,138)	(3,084,179)
Financing activities		
Obligations under finance lease	2,989,302	-
Net cash from financing activities	2,989,302	-
Net increase / (decrease) in cash and cash equivalents	4,342,047	(5,255,660)
Cash and cash equivalents at the beginning of the year	60,432,452	65,688,112
Cash and cash equivalents at the end of the year	64,774,499	60,432,452

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2017

	2017	2016
	Rs	Rs
Revenue	64,905,302	57,524,055
Administrative expenses	(61,792,045)	(59,083,967)
Exceptional items	-	(9,255,046)
Profit / (loss) before tax	3,113,257	(10,814,958)
Taxation	(91,772)	(226,997)
Total comprehensive income / (loss) for the year	3,021,485	(11,041,955)
Earnings / (loss) per share	0.06	(0.23)

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF BRITISH AMERICAN EXCHANGE CO. LTD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of British American Exchange Co. Ltd (the "Company") set out on pages 19 to 38, which comprise the statement of financial position as at 31 December 2017 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements give a true and fair view of the financial position of the Company as at 31 December 2017 and of its financial performance, its changes in equity and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001, the Financial Reporting Act 2004 and the Banking Act 2004.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Directors are responsible for the other information. The other information comprises the Annual Report, Corporate Governance Report and Certificate from the Company Secretary, or any other information. The other information does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001, the Financial Reporting Act 2004 and the Banking Act 2004, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matter

This report is made solely to the Company's member, in accordance with Section 205 of the Mauritius Companies Act 2001, the Financial Reporting Act 2004 and the Banking Act 2004. Our audit work has been undertaken so that we might state to the Company's member those matters that we are required to state 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 member, for our audit work, for this report, or for the opinions we have formed.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

- We have no relationship with or interests in the Company other than in our capacity as auditors.

- We have obtained all the 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.

Banking Act 2004

- In our opinion, the financial statements have been prepared on a basis consistent with that of the preceding year and are complete, fair and properly drawn up and comply with the Banking Act 2004 and the regulations and guidelines of the Bank of Mauritius;
- The explanations or information called for or given to us by the officers or agents of the Company were satisfactory.

The Financial Reporting Act 2004

The Directors are responsible for preparing the Corporate Governance Report. Our responsibility is to report on the extent of compliance with the Code of Corporate Governance as disclosed in the Annual Report and whether the disclosure is consistent with the requirements of the Code.

In our opinion, the disclosures in the Corporate Governance Report are partially consistent with the requirements of the Code.

MOORE STEPHENS
Chartered Accountants

Arvin Rogbeer FCA
Licensed by FRC

PORT LOUIS
REPUBLIC OF MAURITIUS

DATE: 23 March 2018