

ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	2018 MUR Audited	2017 MUR Audited
ASSETS		
Non-current assets	686,582,105	485,914,329
Current assets	282,319,903	149,765,188
Total assets	968,902,008	635,679,517
EQUITY AND LIABILITIES		
Capital and reserves		
Stated capital	270,000,000	270,000,000
Revaluation reserve	92,675,877	88,160,551
Retained earnings	119,609,606	(6,495,269)
Total equity	482,285,483	351,665,282
Non-current liabilities	223,815,503	48,538,926
Current liabilities	262,801,022	235,475,309
Total liabilities	486,616,525	284,014,235
Total equity and liabilities	968,902,008	635,679,517

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2018 MUR Audited	2017 MUR Audited
Revenue	1,125,025,900	1,029,809,022
Operating profit	260,756,517	231,410,860
Net finance costs	(14,842,231)	(6,930,958)
Profit before taxation	245,914,286	224,479,902
Taxation	(44,712,927)	(35,615,833)
Profit for the year	201,201,359	188,864,069
Other comprehensive income - net of Tax	5,018,842	5,975,991
Total comprehensive income	206,220,201	194,840,060
Earnings per share (Basic & diluted)	7.45	6.99

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs Audited	Revaluation Reserve Rs Audited	Retained Earnings Rs Audited	Total Equity Rs Audited
At 1 January 2017	270,000,000	84,037,374	75,727,848	429,765,222
Profit for the year	-	-	188,864,069	188,864,069
Realised on depreciation of building	-	(1,907,570)	1,907,570	-
Gain on revaluation of building	-	7,265,960	-	7,265,960
Deferred tax remeasurement of gain on revaluation of building	-	(1,235,213)	-	(1,235,213)
Remeasurement actuarial gain on retirement benefits obligation	-	-	(65,971)	(65,971)
Deferred tax remeasurement of loss on retirement benefits obligation	-	-	11,215	11,215
Other comprehensive income for the year	-	6,030,747	(54,756)	5,975,991
Total comprehensive income for the year	-	4,123,177	190,716,883	194,840,060
Transactions with owners	-	-	-	-
Dividends	-	-	(272,940,000)	(272,940,000)
At 31 December 2017	270,000,000	88,160,551	(6,495,269)	351,665,282
At 1 January 2018	270,000,000	88,160,551	(6,495,269)	351,665,282
Profit for the year	-	-	201,201,359	201,201,359
Realised on depreciation of building	-	(2,315,635)	2,315,635	-
Gain on revaluation of building	-	8,230,073	-	8,230,073
Deferred tax remeasurement of gain on revaluation of building	-	(1,399,112)	-	(1,399,112)
Remeasurement actuarial gain on retirement benefits obligation	-	-	(2,183,276)	(2,183,276)
Deferred tax remeasurement of loss on retirement benefits obligation	-	-	371,157	371,157
Other comprehensive income for the year	-	6,830,961	(1,812,119)	5,018,842
Total comprehensive income for the year	-	4,515,326	201,704,875	206,220,201
Transactions with owners	-	-	-	-
Dividends	-	-	(75,600,000)	(75,600,000)
At 31 December 2018	270,000,000	92,675,877	119,609,606	482,285,483

CONSOLIDATED STATEMENTS OF CASH FLOWS

	2018 MUR Audited	2017 MUR Audited
Net cash generated from operating activities	274,791,987	273,316,691
Net cash used in investing activities	(49,627,104)	(14,251,676)
Net cash used in financing activities	(48,477,506)	(342,940,000)
Net increase/(decrease) in cash and cash equivalents	176,687,377	(83,874,985)
Net foreign exchange differences	832,732	(1,045,589)
Cash and cash equivalents at start of the year	(151,467,322)	(66,546,748)
Cash and cash equivalents at end of the year	26,052,787	(151,467,322)

COMMENTS

Principal Activity

The principal activities of the company comprise of unloading, storing, bagging, trading and distribution of cement and other cementitious products.

Results

Revenue for the year ended 31 December 2018 amounted to Rs1125M versus Rs1030M in the corresponding prior year. Operating Profit of MUR261M was achieved for the year compared to MUR231M in the corresponding prior year, an increase of 13% mainly attributed to an exceptional other income of MUR24M (2017: MUR4.7m) received for the hire of equipment to a third party. Profit after tax was Rs201M compared to Rs189M in the corresponding prior year.

The results achieved for the year 2018 are satisfactory. Nevertheless there is an increasing pressure on freight cost due to the introduction worldwide of the marine fuel sulphur regulations which will impact cost of raw materials.

Dividend

On 13 April 2018 and 31 July 2018 an interim dividend of Rs28.35M and Rs47.25M were declared and paid in respect of the year ended 31 December 2018.

Other

The accounting policies adopted to prepare the above abridged consolidated financial statements are consistent with prior year except for new accounting standards effective as from 1 January 2018 as adopted in the consolidated financial statements. In addition IFRS 16 Leases was early adopted as from 1 January 2018 using the modified approach and resulted in an increase in total assets as well as total liabilities on the consolidated statements of financial position.

By Order of the Board

Gamma Corporate Services Ltd

Company Secretary

26 March 2019

Copies of the abridged audited consolidated financial statements are available, free of charge, upon request made to the Company Secretary at its registered office, Royal Road Chapman Hill, Beau Bassin.

The Statement of direct and indirect Interests of insiders pursuant to Rule 8 (2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, is available, free of charge, upon request made to the Company Secretary.

These abridged audited consolidated financial statements are issued pursuant to DEM Rule 18 and Rule 8 of the Securities (Disclosure Obligations of the Reporting Issuers) Rules 2007. The Board of Directors of Kolos Cement Ltd accepts full responsibility for the accuracy of the information contained in these abridged audited consolidated financial statements.