

Cimgroup >>

**ANNUAL
REPORT** / **2014**



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Dear Shareholder,

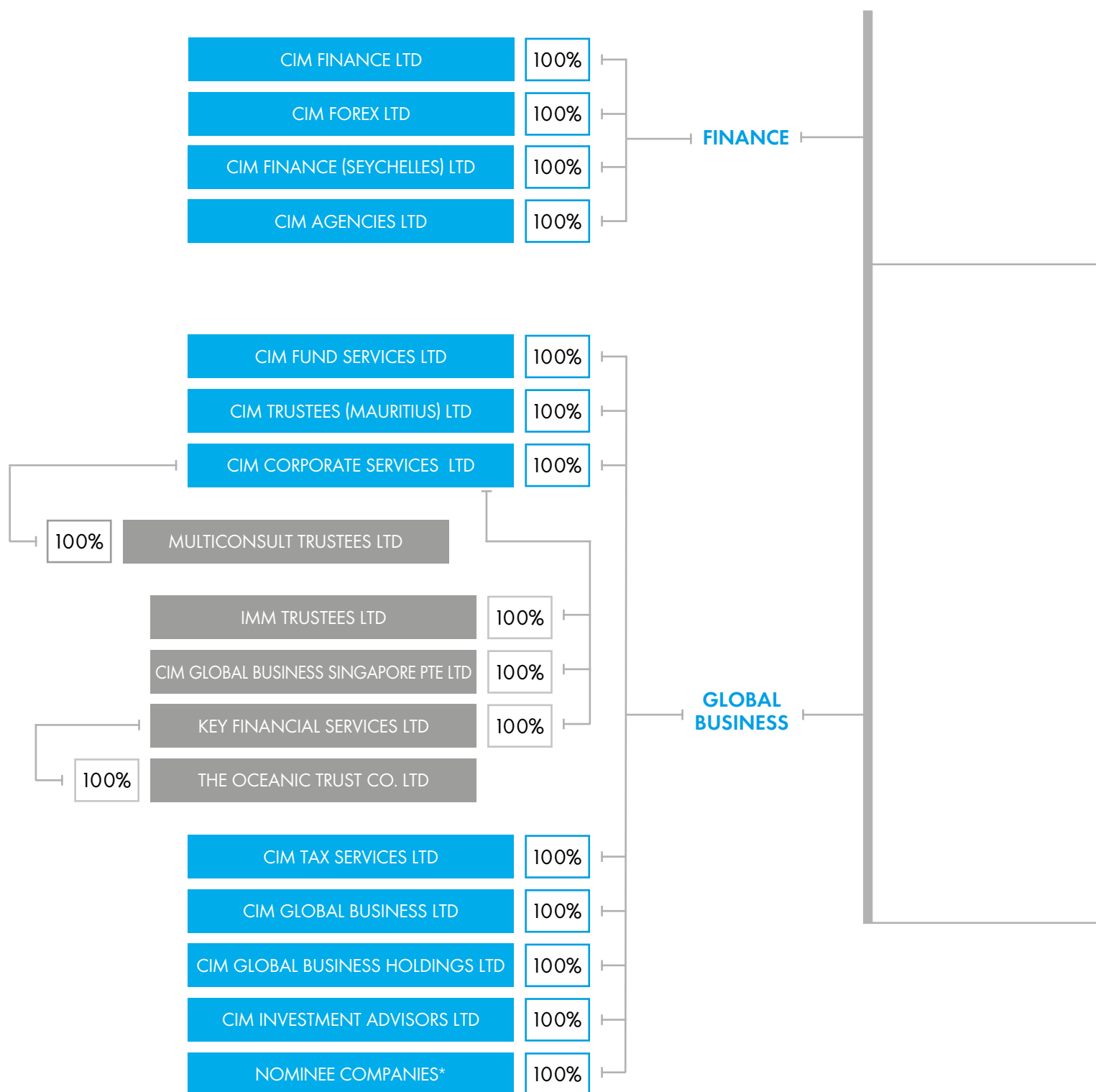
Your Board of Directors is pleased to present the Annual Report of Cim Financial Services Ltd for the year ended 30 September 2014. This report was approved by the Board on 9 December 2014.

Timothy Taylor
Chairman

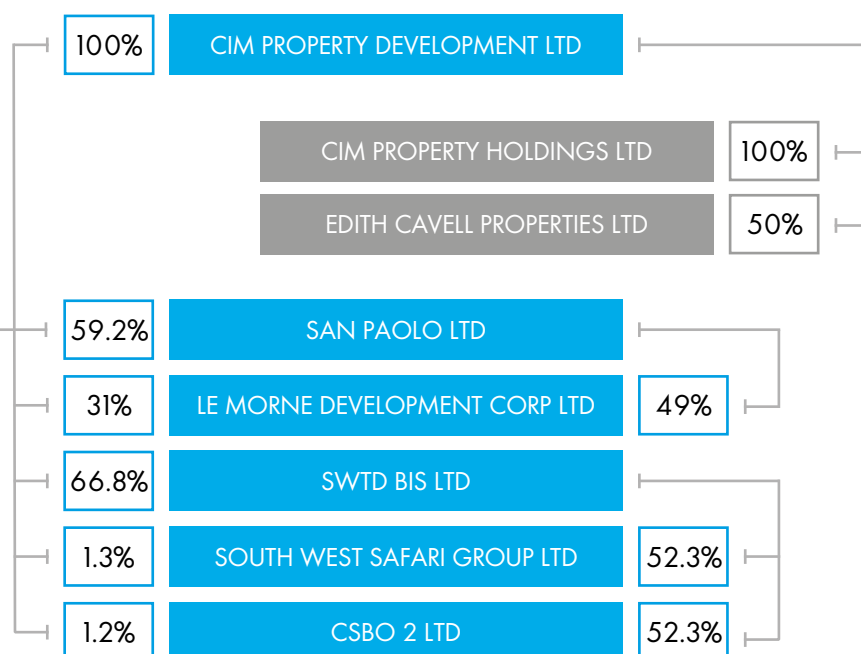
Paul Leech
Director & Group Chief Executive

GROUP STRUCTURE

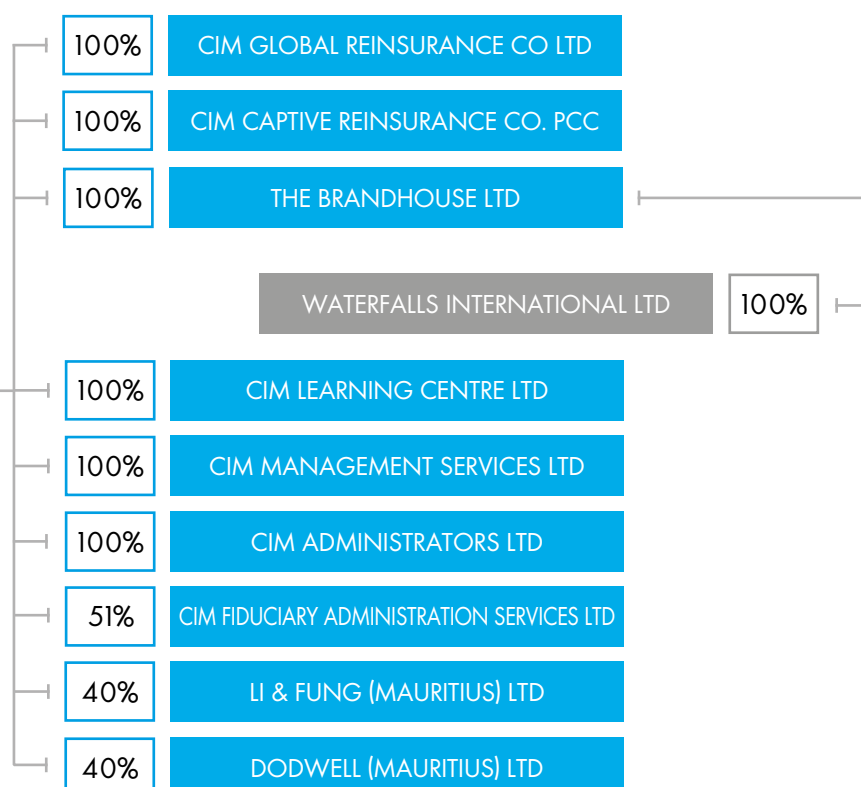
CIM FINANCIAL SERVICES LTD



PROPERTY



INVESTMENTS



FINANCIAL HIGHLIGHTS

Group Revenue grew

By Rs 256M to Rs 3,502M

Profit After Taxation (PAT) improved

By Rs 108M to Rs 598M

EBITDA (Before Exceptional Items) improved

By Rs 194M to reach Rs 1,067M

Total Assets grew

By Rs 1,272M to Rs 9,625M

Total Equity grew

By Rs 589M to Rs 3,052M

Market Capitalisation grew

By Rs 340M to Rs 5,961M

2013 figures restated

≥ 8%

INCREASE IN REVENUE

≥ 22%

PAT INCREASE

≥ 15%

TOTAL ASSETS

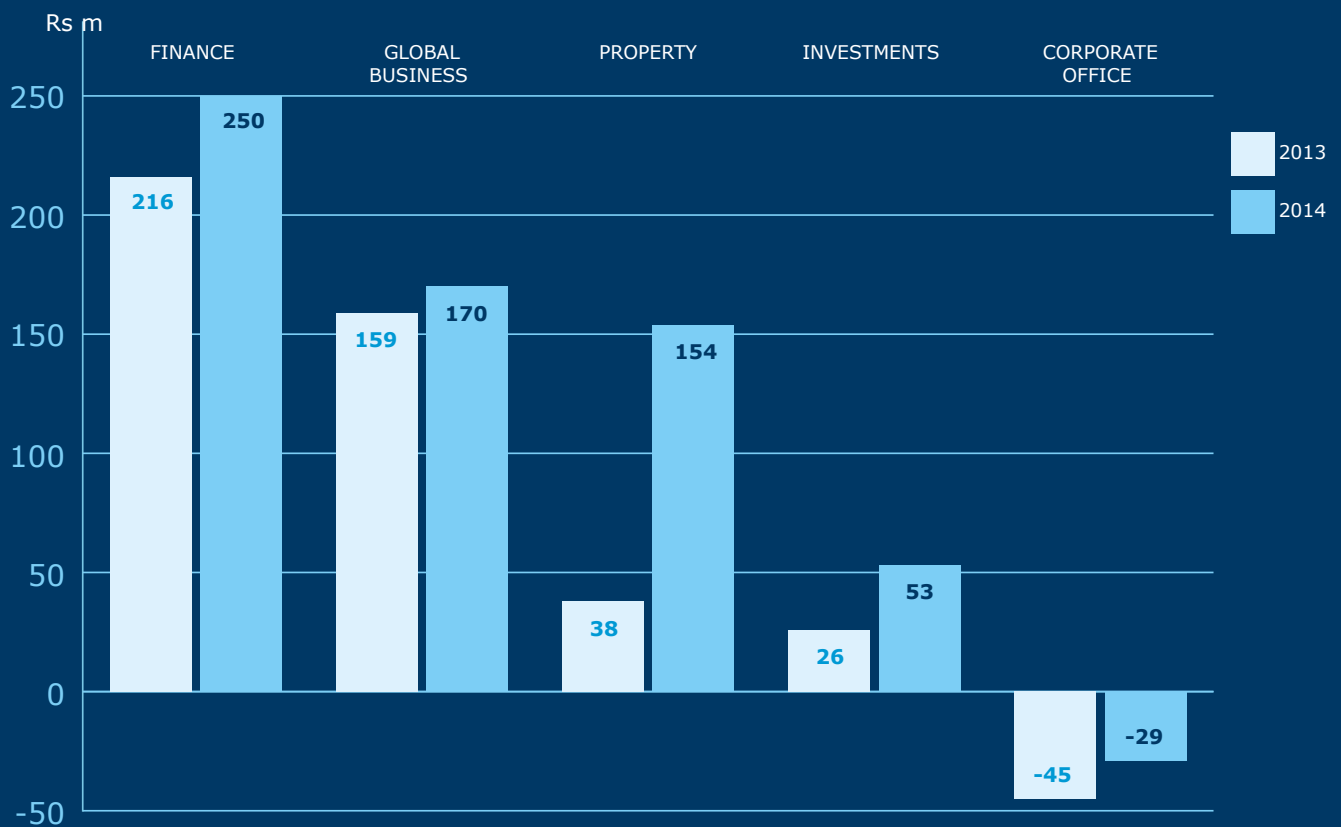
≥ 24%

TOTAL EQUITY

≥ 6%

MARKET CAPITALISATION

PAT BEFORE EXCEPTIONAL ITEMS INCREASED BY RS 204M FROM RS 394M TO RS 598M.



NET ASSET VALUE PER SHARE (Rs)



DIVIDENDS PER SHARE (Rs)



EARNINGS PER SHARE (Rs)



DEBT /EQUITY RATIO (times)



FINANCIAL HIGHLIGHTS

SHARE PRICE (RS)

1 October 2013 - 30 September 2014



8.80

High



7.70

Low



4.45

Price at introduction
on SEM
30 October 2012



8.76

Closing Price
end of period



6%

Change over period



97%

Change over period
30 October 2012 -
30 September 2014

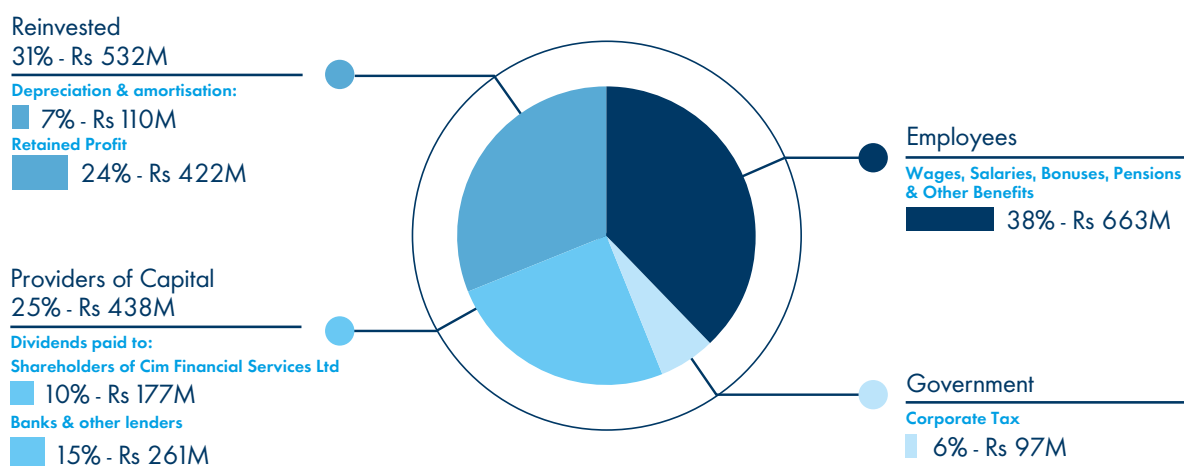


CONSOLIDATED VALUE ADDED STATEMENT – 2014 V/S 2013

VALUE ADDED STATEMENT

	Rs m
Revenue	3,502
Bought-in materials & service	(1,772)
Total value added	1,730

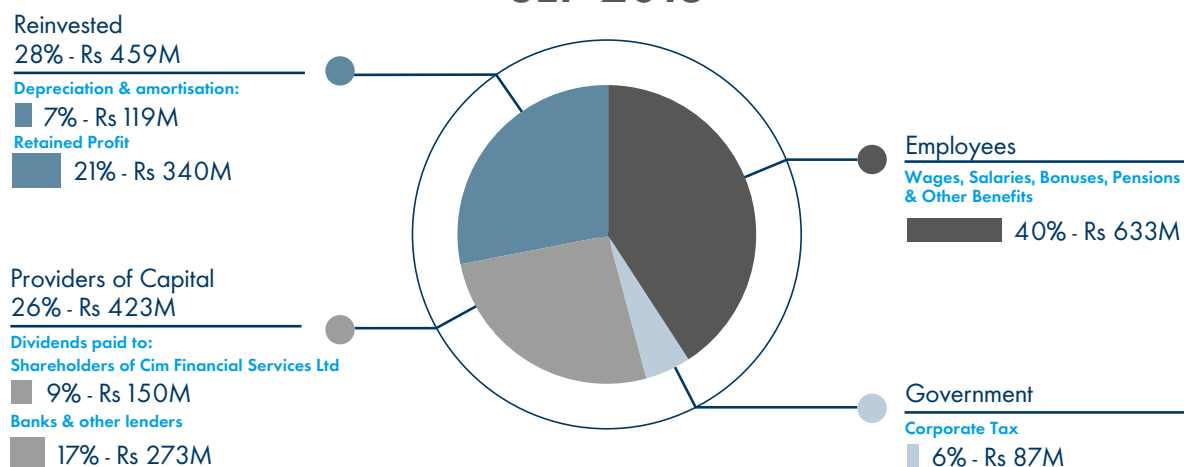
SEP 2014



VALUE ADDED STATEMENT

	Rs m
Revenue	3,246
Bought-in materials & service	(1,644)
Total value added	1,602

Restated SEP 2013





**PAT
improving**

≈ 22%



CHAIRMAN'S MESSAGE



The world economy is forecast to grow at a slower than expected pace in 2014 with the downward revision of prospects for developing economies and economies in transition. Global average inflation is also projected to increase mildly from 2.4% in 2013 to 2.7% in 2014. Against such a context, the Mauritian economy is performing reasonably well and is predicted to grow at 3.2% against 3.4% in 2013.

Overall, 2014 was a year where Cim Group took steps to sustain its existing capabilities to strengthen its foundation for the future. We enhanced our internal controls and processes and continued to increase our human resource capabilities through hiring more talent and upgrading our skills and knowledge.

"OVERALL, 2014 WAS A YEAR WHERE CIM GROUP TOOK STEPS TO SUSTAIN ITS EXISTING CAPABILITIES TO STRENGTHEN ITS FOUNDATION FOR THE FUTURE."

We achieved a solid set of results despite a difficult economic climate, with profit after tax before gains on revaluation and before exceptional items improving by 23% to Rs 484.3m. The local market is becoming increasingly more competitive. There is a lot of liquidity on the market and banks have been very aggressive in their lending. Not only are they offering very attractive loan packages but also we have seen a push on instalment credit cards. In this context, Cim Finance continued its progression and managed to improve both its profitability and balance sheet.

Uncertainty in the financial sector continued. Mauritius and India have still not settled their differences regarding the Double Taxation Avoidance Agreement (DTAA). Mauritius has also received adverse publicity regarding the use that some investors are making of DTAA's with certain African countries. These issues are currently being addressed by the Government and the Board of Investment. Operating in this difficult market, results for Cim Global Business saw a reasonable progression to those of 2013.



"WE WILL
CONTINUE TO
EXPLORE WAYS
TO EXPAND
OUR SERVICE
OFFERINGS TO
CLIENTS."

The BrandHouse Ltd (formerly known as Galaxy and J.M. Goupille) continued on the trend set in 2013 and considerably improved its profitability.

Cim Group invested Rs 110m in its Port Louis properties in 2014. The transformation has been remarkable, with the Cim Corporate Office and Cim Global Business now housed in Les Cascades Building. Cim Finance's offices have been renovated inside and out and will give them the base to further grow their business.

In September the Board declared a final dividend of Rs 0.16 per ordinary share. Combined with the interim dividend of Rs 0.10, this made a total dividend paid of Rs 0.26 per ordinary share for 2014 compared to Rs 0.22 paid in 2013.

The new government that will emerge out of the 2014 elections will surely take steps to strengthen the economy, which should allow Cim Group to grow further in 2015.

Based on our strong balance sheet, we expect to continue to grow our existing businesses and look for new opportunities. Along with the constant enhancement to our existing businesses, we continue

to explore ways to expand our service offerings to clients and everyone within Cim Group is clear on the plan for the year ahead.

I would like to thank Paul Leech and his team for all their effort and hard work in producing this set of very satisfactory results.

I would like to thank my fellow Directors for their contribution and support they have given me and the Company over the last year.

Finally, I would like to thank our shareholders and customers for their loyalty and for the trust placed in us over the years.

Timothy Taylor
Chairman

DIRECTORS' PROFILES



TIMOTHY TAYLOR
NON-EXECUTIVE DIRECTOR
AND CHAIRMAN

Timothy Taylor, born in Mauritius in 1946, holds a BA (Hons) in Industrial Economics from Nottingham University. He worked in the United Kingdom until 1972 when he returned to Mauritius and joined Rogers & Co. He became Chief Executive of Rogers in 1999, retiring in December 2006. He was then Non-Executive Chairman of Rogers from 2007 to October 2012. He is the Chairman of Scott & Co, one of Mauritius' oldest commercial concerns. He is also the Chairman of the National Committee on Corporate Governance and a former President of the Mauritius Chamber of Commerce and Industry, as well as being Honorary Consul of Norway in Mauritius. He has always had an interest in environmental and conservation issues and has been a member of the Council of the Mauritian Wildlife Foundation since 2006 and President since 2009.

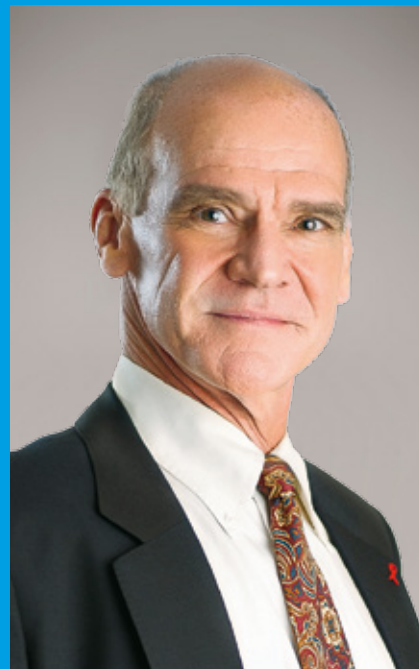
Directorship in other listed companies: none.



LOUIS AMÉDÉE DARGA
INDEPENDENT DIRECTOR

Louis Amédée Darga, born in 1951, is currently the Chairperson of Enterprise Mauritius and is also the Managing Partner of StraConsult, a management and economic development consulting firm. He is a Honorary Fellow of the Institute of Engineers in Mauritius as well as a Fellow of the Mauritius Institute of Directors. He is a trustee of the Mauritius Africa Business Club. He is a former member of parliament in Mauritius, and a former Minister. He also served as Mayor of the town of Curepipe. He is a trustee of the Southern and Eastern African Trade and Information Network (Seatini), a member of the African Association of Political Science since 1977 and a former executive member of the organisation. He served from 2005 to 2011 as a Member of the Bureau of the Committee on Human Development and Civil Society of the U.N Economic Commission for Africa.

Directorship in other listed companies: Alteo Limited.



MARCEL DESCROIZILLES
INDEPENDENT DIRECTOR

Marcel Descroizilles, born in 1949, is a Fellow of the Institute of Chartered Accountants in England and Wales. Between 1976 and 1996, he was Finance Manager of a number of Shell Group companies. From 1996, he was Managing Director of Esso Mauritius, until his retirement in December 2005. Marcel is also a Director of a number of companies in the offshore sector. Marcel is the Chairman of the Group's Risk Management and Audit Committee.

Directorship in other listed companies: none.



OLIVIER JAUFFRET
INDEPENDENT DIRECTOR

Olivier Jauffret, born in 1968, graduated in 1991 from the University of Aix-en-Provence. He holds a DESS (Magistère in business, tax law and accounting), a DJCE (Diplôme de juriste conseil d'entreprise) and a postgraduate law degree (LL.M) from University College London.

He was admitted to the Paris Bar and is a partner and the head of the banking team in the Paris office of a leading international New York law firm. He previously spent over 18 years at a UK "magic circle" law firm of which he became a partner in 2002 and was also the head of the banking practice. He is a fully versatile banking lawyer with over 20 years' experience advising creditors and debtors (funds and corporate) across the whole spectrum of products on the bank debt markets with a particular focus on leveraged buy-out and debt restructuring.

Directorship in other listed companies:
none.



PAUL LEECH
GROUP CHIEF EXECUTIVE

Born in 1956, he holds a BA (Hons) in Geography from the University of Birmingham and was accepted in 1982 as an Associate of the Chartered Institute of Bankers. He had a 33-year international banking career with the HSBC Group during which he held senior positions in Asia, the Middle East, Europe and Africa. He gained wide experience in consumer, mid-market and wholesale banking in both OECD economies and Emerging Markets. He left HSBC in 2010 as Head of International Asia Pacific in which post he was responsible for the regional management of 11 Asian countries. He is also a board member of Global Finance Mauritius since June 2014 and a Fellow of the Mauritius Institute of Directors since March 2014.

Directorship in other listed companies:
none.

DIRECTOR'S PROFILES



JEAN PIERRE LIM KONG
EXECUTIVE DIRECTOR AND
CHIEF FINANCE EXECUTIVE

Jean Pierre Lim Kong, born in 1969, is a Fellow of the Institute of Chartered Accountants in England and Wales and holds a BSc (Hons) in Mathematics and Management Studies from King's College London.

Prior to joining the Cim Group, Jean Pierre worked for KPMG's audit practice in London for six years. He then worked in the business advisory departments of KPMG and DCDM Consulting in Mauritius before joining Innodis as General Manager for Finance and Administration from 2000 to 2005.

Jean Pierre joined the Cim Group in September 2005 as Managing Director of Cim Finance and Cim Leasing and subsequently became the Cim Group's Chief Finance Executive in June 2008. He is a board member of the Mauritius Institute of Directors since October 2013.

Directorship in other listed companies:
none.



DAVID SOMEN
INDEPENDENT DIRECTOR

David Somen, born in 1965, holds a Law Degree from Oxford University and an MBA from Harvard Business School. He is the Co-Founder and Strategy Director of AccessKenya Group Limited, Kenya's leading Internet Service Provider, and is also the founder and Managing Director of Virtual IT Limited, UK, an IT services business. Prior to founding AccessKenya and Virtual IT, David was the Co-Founder of the LCR Telecom Group, which was sold to NASDAQ listed PRIMUS Telecommunications in 2000. David also has several years' work experience in London and Hong Kong for McKinsey & Co.

David is currently the Chairman of the Group's Corporate Governance Committee.

Directorship in other listed companies:
none.



COLIN TAYLOR
NON-EXECUTIVE DIRECTOR

Colin Taylor, born in 1965, holds a BSc (Hons) in Engineering with Business Studies from Portsmouth University and an MSc in Management from Imperial College London. He joined Taylor Smith and Company in 1990 as Project Manager and was appointed Managing Director in 1994. From 1999 to 2004, he was Executive Director of Rogers' Engineering Cluster. He is presently Chief Executive of the Taylor Smith Group and the Honorary Consul of Sweden in Mauritius. He is also a member of the Board of the Mauritius Chamber of Commerce and Industry.

Directorship in other listed companies:
New Mauritius Hotels Ltd.



MATTHEW TAYLOR
NON-EXECUTIVE DIRECTOR

Matthew Taylor, born in 1974, holds a BSc (Hons) in Retail Management from the University of Surrey. He joined Rogers in 2000 as Project Manager in the Planning and Development Department. He was the Executive Director Retail of Scott & Co from 2007 to January 2013 and is currently the firm's CEO.

Directorship in other listed companies:
none.



PHILIP TAYLOR
NON-EXECUTIVE DIRECTOR

Philip Taylor, born in 1967 in Mauritius, graduated from the University of Surrey in 1989 after reading Hotel Management. He went on to follow his career in the hospitality business with Hilton International before returning to Mauritius where he entered the shipping and logistics cluster of the Rogers Group of companies.

After completing an MBA in England in 1994, Philip moved back with the Rogers Group in Mauritius, and headed the Rogers Group's diversified international development. In 2004, Philip left Rogers to set up his own businesses with a focus on the Indian Ocean Islands and Africa. His involvements over the past few years have been diverse, with a focus on the region's hospitality and tourism industry. He currently heads the developments of a fast growing hospitality technology service "start-up" by the name of www.hospitality-plus.travel. Philip is the Honorary Consul of Finland in Mauritius.

Directorship in other listed companies:
none.

SENIOR EXECUTIVES' PROFILES



PAUL LEECH
GROUP CHIEF EXECUTIVE

Born in 1956, he holds a BA (Hons) in Geography from the University of Birmingham and was accepted in 1982 as an Associate of the Chartered Institute of Bankers. He had a 33-year international banking career with the HSBC Group during which he held senior positions in Asia, the Middle East, Europe and Africa. He gained wide experience in consumer, mid-market and wholesale banking in both OECD economies and Emerging Markets. He left HSBC in 2010 as Head of International Asia Pacific in which post he was responsible for the regional management of 11 Asian countries. He is also a board member of Global Finance Mauritius since June 2014 and a Fellow of the Mauritius Institute of Directors since March 2014.



RENU AUDIT
CHIEF LEGAL AND COMPLIANCE EXECUTIVE

Renu Audit, born in 1968, joined the Cim Group in September 2008 following her nine years of service in the Mauritius Financial Services Commission where she inter alia headed its Legal and Enforcement Department and represented the regulator in senior level delegations and various national committees.

Legally qualified in India, Mauritius and the UK, she has developed not only extensive knowledge of the supervisory and legal framework in the financial services sector but also a lot of practical know-how of doing business in Mauritius and dealing with the Government and its agencies.



CYRIL CHUNG KAI TO
MANAGING DIRECTOR,
CIM FINANCE

Cyril Chung Kai To, born in 1954, is a Fellow of the Association of Chartered Certified Accountants (UK). Prior to joining the Cim Group, Cyril has been involved in auditing for fourteen years.

He has worked successively for Arthur Andersen in Paris and DCDM in Mauritius as Audit Manager, before moving to Waterfalls Trading as Administrative Manager in 1992.

He joined Cim Finance in 1993 as Manager and subsequently took office as General Manager in 2006 and Managing Director in June 2008.



GYANESHWARNATH (GARY) GOWREA
MANAGING DIRECTOR,
CIM TAX SERVICES

Gary Gowrea, born in 1966, is a Fellow of the Association of Chartered Certified Accountants (UK) and Fellow of the Mauritius Institute of Directors. Gary is also a Member of the Society of Trust and Estate Practitioners (UK) and the International Fiscal Association.

He completed his M.Sc. in Accounting from De Monfort University in Leicester, UK. He holds a Diploma in International Taxation.

He has more than fifteen years' experience in international tax and advises on tax structures set up by multinational corporations, fund managers and high net-worth individuals.

Gary is also a member of the operational committee of Global Institutional Investors Forum and sits on various committees dealing with fiscal matters as well as double taxation avoidance agreements. He has been a speaker at several local and international conferences.



OLIVER HARE
CHIEF EXECUTIVE OFFICER,
CIM GLOBAL BUSINESS

Oliver Hare, born in 1964, holds a BA (Hons) in Economics. He started his career in the United Kingdom at S.G. Warburg in equity trading and sales before assuming management positions which included leading an equity sales team in Madrid and handling institutional clients and product distribution in Paris. He was also responsible for global product distribution in Zurich for UBS A.G.

He was Managing Director of the Equities Division of UBS for 15 years and then Managing Director of Banque Piguet in Geneva. He later founded the Helvetica Group, where he was Chief Executive Officer. In 2013, he took up the role of Chief Executive Officer of Cim Global Business.



JEAN PIERRE LIM KONG
CHIEF FINANCE EXECUTIVE

Jean Pierre Lim Kong, born in 1969, is a Fellow of the Institute of Chartered Accountants in England and Wales and holds a BSc (Hons) in Mathematics and Management Studies from King's College London.

Prior to joining the Cim Group, Jean Pierre worked for KPMG's audit practice in London for six years. He then worked in the business advisory departments of KPMG and DCDM Consulting in Mauritius before joining Innodis as General Manager for Finance and Administration from 2000 to 2005.

Jean Pierre joined the Cim Group in September 2005 as Managing Director of Cim Finance and Cim Leasing and subsequently became the Cim Group's Chief Finance Executive in June 2008. He is a board member of the Mauritius Institute of Directors since October 2013.

SENIOR EXECUTIVES' PROFILES



STEEVE LOW KWAN SANG

**GENERAL MANAGER - CARDS,
CIM FINANCE**

Steeve Low Kwan Sang, born in 1965, is a Fellow of the Association of Chartered Certified Accountants (UK). He joined Cim Finance in 1996 and has been in charge of various departments within Cim Finance, namely leasing, finance, factoring and customer accounts. Steeve is the General Manager of Cards Department since 01 August 2014. He is currently the Treasurer of Association of Leasing Companies.



AMBRISH MAHARAJA

**SENIOR MANAGER,
CORPORATE SERVICES**

Ambrish Maharajah, born in 1978, is an Associate of the Institute of Chartered Secretary and Administrators (UK) and holds a BSc in Management from the University of Mauritius.

Prior to joining the Cim Group, Ambrish worked at the Mauritius Institute of Directors as Executive Secretary and at Rogers and Company Limited as Corporate Manager, Legal Compliance.

Ambrish heads Cim Administrators Ltd, a wholly owned subsidiary of Cim Financial Services Ltd which provides company secretarial services to the Group.



VANESHA PAREEMAMUN

GROUP HEAD OF HUMAN RESOURCE

Vanesha Pareemamun, born in 1969, holds a BSc Econ. in Economics and Management from the University of Wales College of Cardiff, UK. She also has an MBA with specialisation in Human Resource from the University of Mauritius.

She joined the Cim Group in 2008 as Head of Human Resource of Cim Finance and subsequently became Group Head of Human Resource in August 2013. Prior to joining the Cim Group, Vanesha worked as an Economist for 10 years at the Ministry of Finance and Economic Development. She then worked as Manager Human Resource at the Business Parks of Mauritius and the Mauritius Housing Company Ltd.

**BILAL SASSA**

**HEAD OF STRATEGY,
CIM GROUP**

Bilal Sassa, born in 1973, holds a B.Com in Economics from the University of Natal, Pietermaritzburg, South Africa. He also holds a stockbroking licence from the Financial Services Commission.

Bilal joined Cim Stockbrokers as an analyst and then became General Manager of this operation in 2005. He was appointed Managing Director of International Management Mauritius Limited (IMM) in June 2008. In September 2009, he took over the role of Chief Sales & Marketing Officer of the Global Business Companies which he occupied until April 2011.

Bilal was appointed Managing Director of Cim Global Management in May 2011 and has been a Director of the Stock Exchange of Mauritius and the Vice-Chairman of the Central Depository & Settlement Co. Ltd.

He took up the role of the Group Head of Strategy in January 2014.

**MELINDA SOORAJEE**

**CORPORATE MANAGER –
COMMUNICATION & CSR**

Melinda Soorajee, born in 1981, holds a Master "Médias et Mediations" from the University Paul Verlaine of Metz, France. Prior to joining the Cim Group, Melinda was at Rogers and Company Ltd for three years where she became Manager - Communication in 2010. She joined the Cim Group in 2011 as Communication & Brand Lead and subsequently became Corporate Manager – Communication & CSR in March 2014.

**SHEILA UJOODHA**

CHIEF RISK AND AUDIT EXECUTIVE

Sheila Ujoodha, born in 1971, holds a BSc (Hons) in Accounting. She is a Fellow of the Association of Chartered Certified Accountants (FCCA). Her memberships extend to the Chartered Institute of Internal Auditors in the UK, Mauritius Institute of Professional Accountants and Mauritius Institute of Directors.

She joined British American Tobacco (Mauritius) as the Internal Audit Manager in 2001. In March 2005, she was employed as General Manager of the Risk & Audit Department of Rogers and was subsequently appointed as Chief Risk & Audit Executive in 2007. Sheila joined the Cim Group in the same capacity in October 2012.



**"WE HAVE SET OURSELVES
THE AMBITION OF MAKING
CIM GROUP A FIRM WHERE WE
WOULD BE PROUD FOR OUR
CHILDREN AND OTHER FAMILY
MEMBERS TO WORK."**




CEO'S REVIEW



GROUP PERFORMANCE

By most measures, the Group had a good year. The most watched figures tend naturally to be the top and bottom lines and we can take some satisfaction that turnover grew by almost 8% to Rs 3,501.7m and Profit After Tax (PAT) increased by 22% to Rs 598.5m. Part of that uplift can be attributed to a property revaluation exercise but underlying Profit before taxation, exceptional items and revaluation gain still grew at 21% to Rs 581.0m.

I am in the enviable position, having taken over as Group CEO at the beginning of January, of trying to claim that this performance was all due to a change in the senior leadership. The reality however is that the underlying businesses of the Group have good market positions in their sectors, good people managing them and loyal repeat customers who are prepared to pay for products and services that, we believe, offer good solutions at a fair value.



What you do not necessarily see from these solid numbers is the range of initiatives that kept us busy throughout the year. We are on a mission to make our Group bigger and better. Fundamentally, we believe that both the quantity and quality of earnings are equally important. I will not detail all our initiatives but highlight below and in the sectoral comments some of the major efforts to improve our Group.

We have spent a good deal of energy and money on a project to upgrade our two major office buildings in Port Louis. We are pleased with the results so far and are delighted to be at the end of the dust and drilling phase. The result will be significantly better offices for staff and customers.

The Group has chosen to undertake a Staff Engagement survey each year and the results of last year's survey pointed to some significant issues - basically some teams clearly did not feel sufficiently engaged. Our staff work hard and it is the leadership team's duty to ensure that they are not just sufficiently rewarded but that everyone understands the Group's ambitions and feels a sense of being part of a team effort. To address this challenge, we have set ourselves the ambition of making Cim Group "a firm where we would be proud for our children and other family members to work". On the face of it a quite straightforward goal but the younger generation, quite rightly, want more opportunities to grow their career, more enriching jobs and for some, the possibility of employment outside Mauritius.

PAT INCREASED BY

≈ **22%**
to Rs 598.5M

Underpinning this ambition is the need to continue to grow our businesses and to generate new sustainable profit flows. We can only employ more people and pay higher wages by being financial successful. I am delighted to report that the results of the engagement survey conducted in September showed a considerable improvement in our overall ratings. We are now ahead of our peers in the local financial services sector but we are far from finished on this journey. We can however be pleased that a number of our people initiatives undertaken throughout the year are bearing fruit.

Attracting new talent to the Group is an important facet of our growth story and the leadership team has prioritised the need to increase the overall bench strength. Occasionally that means that we replace people but we are more proud of the numerous promotions that we have triggered throughout the year. We are setting ourselves the goal of being the best financial services team in Mauritius which will entail developing our skill set both from within and from new hires in the market. We have welcomed some excellent new members of the team not just at senior levels but throughout the Group and will continue to present ourselves to the talent market as an ambitious and respectful employer where merit can flourish and be rewarded.

CEO'S REVIEW

In terms of the Group structure, we have a number of business lines that collectively provide shareholders with the benefits of revenue diversification. Our two major business lines, the Finance and Global Business clusters, have very different client bases and revenue streams. Cim Finance is focused on the local Mauritian consumer economy and produces a mix of rupee interest and fee income. In contrast, Cim Global Business has an international, institutional client base providing USD fee based revenue flows. We will look to maintain this revenue diversity and at the same time seek opportunities to cross-sell across these businesses. As an example, our Credit Card teams are working with their Global Business colleagues to provide a "one-stop" solution to e-commerce merchants using Mauritius as an attractive jurisdiction to book internet sale transactions. The range of financial services that Cim Group offers is a boon for diversity of revenue and an opportunity to differentiate ourselves from all the other competitors in the Global Business sector.

SEGMENT REVIEW

FINANCE

Cim Finance is a non-bank financial institution regulated by both the Bank of Mauritius and the Financial Services Commission. It provides lending solutions to a range of corporates, SMEs and individual consumers. Competition, as you would expect me to say, is tough particularly in leasing and factoring, where the bigger local banks can bring their weight to bear. However, we are doing well despite this competition. Revenue showed a very marginal gain over last year but PAT increased by 15% to Rs 250m.

Cim Finance has benefited from lower funding costs as have most borrowers in this period of historically low interest rates. On the lending side of the balance sheet however, the capping of interest rates at 19% (with effect from November 2012) on our Hire Purchase book, has meant that our interest revenue was lower as newer loans were replacing higher yielding lending. We have had to work harder on ensuring that our net margin continues to grow by capitalising on the liquidity in the local rupee market and maintaining a good balance in our funding. Diversity of funding is a critical ingredient in running a healthy, conservative finance business. Cim Finance has a good mix of customer deposits, longer dated bonds and bank funding lines. We are also happy, given the returns, to continue to invest Group cash in our financing business. We will aim to keep this diversity even if it means that we do not fill the coffers with just the cheapest source of rupee funding.

The other important ingredient in running a successful finance business is good risk management. We were very fortunate to be able to recruit a new Head of Risk during the year and we have set out to build on our capabilities in terms of people, process and technology. Managing credit risk is fundamental and we are proud of our good track record of attractive risk-adjusted returns (our net margin after deducting provisions and write-offs for bad debts). We have a good database to support our consumer lending decisions (another benefit from having high levels of repeat customers) and will look to reduce the time taken to approve lending applications. As ever, we must remain vigilant to risk as credit losses can have a material impact on the bottom line. Our goal is to continue to have a diverse spread of quality lending assets.

MANAGING
CREDIT RISK IS
FUNDAMENTAL
AND WE ARE
PROUD OF OUR
GOOD TRACK
RECORD OF
ATTRACTIVE
RISK-ADJUSTED
RETURNS.

CIM FINANCE
PAT INCREASED BY

15%
TO Rs 250M



WE SEE CIM FINANCE AS PLAYING A CRITICAL ROLE
IN THE WIDER ECONOMY AND VERY MUCH PART OF
THE BANK OF MAURITIUS' GOAL FOR MORE SOCIAL
INCLUSION IN THE FINANCIAL SECTOR.

In the consumer space, Cim Finance has a strong market presence and brand awareness. This is an important asset which we will continue to invest in. We think it gives us a key advantage and we are ambitious to use our brand to bring more products to our client base. Cim Finance's consumer lending business is effectively a "micro-finance institution" where the average "ticket" is approximately Rs 10,000. We therefore see Cim Finance as playing a critical role in the wider economy and very much part of the Bank of Mauritius' goal for more social inclusion in the financial sector. We take this role seriously and it drives the way we sell to our client base.

As part of our wider focus on the quality of our earnings, we launched a re-vamp of sales processes and documentation. The launch pre-dated the Bank of Mauritius' publication *Banking your Future: Towards a Fair & Inclusive Banking Sector* but we were fortunate that we could also use this document to drive a best practice approach. We think customers will find our new approach refreshing and more informative. This is important as we have a high repeat customer usage and we want to encourage our customers to keep coming back.

GLOBAL BUSINESS

Cim's Global Business provides Fund, Corporate, Trust Administration and related services to a range of corporate and institutional clients located in the US, Europe, MENA and Asia. Clients are serviced out of our offices in Singapore and Mauritius. PAT of the Global Business cluster for the year was 7% higher than last year at Rs 170.1m on marginally lower revenues.

Internationally, the Global Business sector is fragmented. There has been some consolidation driven in part by global banks exiting the sector and Private Equity-backed groups being acquisitive but many "independent" firms remain. In a Mauritian context, Cim Global Business is one of the major local players and we remain proud of, and possessive about, the very recognisable names in our client base. They consist of some of the world's largest Development Finance Institutions, Asset Management and Hedge Fund groups, Sovereign Wealth Funds and Multinational corporates.

The Global Business sector has traditionally been rather too dependent on tax structuring to drive revenue but we are pleased to see something of a tipping point now being reached. Tax planning

remains an important factor in our clients choosing to use Singapore or Mauritius structures but it is no longer the sole driver. We are fortunate that Africa is the new foreign direct investment (FDI) frontier and Cim Global Business is well placed to take a share of this capital and trade flow. We have recently appointed three executives with specific African coverage responsibilities and expect to see an increasing flow of new customers and mandates from and into Africa.

There is something of an ebb and flow with structures, particularly with Private Equity Funds, and we have seen some funds winding up as they come to the end of their natural investment life. New business flows have not been as robust as we had budgeted and we can offer a range of mitigating factors: continuing uncertainty over the India double taxation agreement (DTA) and restrained global FDI flows. There is not one single factor and we remain very dependent on new investment flows into Asia and Africa. That said, I think it fair to say that we have not been sufficiently "sharp-elbowed" in securing new mandates; we could do better and will have a renewed focus on winning new mandates. On a more positive note, we are seeing very good growth (+68%) in our Singapore revenues.

During the year, the Global Business team has been focused on productivity improvement (not easy during the building refurbishment project), streamlining the number of Group subsidiaries and setting the groundwork for two new technology platforms in the Fund and Trust administration divisions.

Our Global Business remains important to the Group. It provides USD-denominated fee based revenue. Above all, it has a wonderful group of international corporate and institutional clients with whom we should do more business. We have ambitions to provide more value-added services and to offer our clients based in higher wage jurisdictions the opportunity to benefit from lower cost legal, accounting and administrative work forces in Mauritius. As an example, this year we have established a new joint venture, Cim Fiduciary Administration Services (CFAS), with a Jersey based firm. CFAS will be offering Trust companies located in Europe the opportunity to reduce their cost base by outsourcing trust administration to Mauritius. We are excited by the potential and are viewing this venture as the first of several in the outsourcing space.

PAT OF THE GLOBAL
BUSINESS CLUSTER
FOR THE YEAR WAS
7% HIGHER THAN
LAST YEAR AT

Rs 170.1M

WE ARE SEEING
VERY GOOD
GROWTH
(+ 68%) IN OUR
SINGAPORE
REVENUES.

CEO'S REVIEW

PROPERTY & INVESTMENTS

We have a diverse property portfolio in Mauritius comprising office, commercial and land assets. Occupancy rates of our buildings remained healthy at 93%, broadly in line with last year. Our property operations grew revenue to Rs 100.4m and PAT increased significantly from Rs 38.0 to Rs 154.2m. The biggest contribution to the bottom line was a gain on revaluation of the investment properties of Rs 111.1m.

WE WILL CONTINUE TO REGARD OUR PROPERTY BOOK AS AN IMPORTANT FEATURE OF OUR GROUP BALANCE SHEET.

As previously mentioned, we continue to invest in our portfolio via various asset enhancement projects; the largest of which was the Rs 110m refurbishment project of our two main office buildings in Port Louis. We will continue to regard our property book as an important feature of our Group balance sheet.

The major part of the Group's Investment portfolio is our ownership of a retail and distribution business, The Brandhouse Ltd. We are pleased to report that the business had a much improved year. Revenue grew from Rs 1,496.7m to Rs 1,746.1m and PAT rose to Rs 52.8m. The new leadership team has undertaken a major overhaul of the business and the results are testament to their efforts. The retail and distribution businesses have been amalgamated under The Brandhouse Ltd, new brand identities launched for the Galaxy retail chain and JMG, the distribution arm, a new Galaxy outlet opened in St. Pierre and a Galaxy outlet uplift programme initiated.

In the last quarter of the financial year, the Group also invested Rs 300m in securities issued by Afrasia Bank Limited. We consider this investment as a good opportunity to provide the Group with a source of attractive, floating rate returns that offers some diversification to the yield profile of Cim Finance's lending book.

CSR

It is important to comment on our CSR initiatives. For the year under review, Cim disbursed Rs 13m to 25 NGOs engaged in a range of worthwhile causes. We have three major areas of focus for our CSR budget; financial literacy and education, environment and community support. We are pleased that more Cim employees participated in our CSR initiatives and actively engaged in the projects and directly with our chosen NGOs.

CONCLUSION

We can take comfort that we have delivered solid results in challenging conditions. The Group has undertaken a wide range of initiatives that will make us both bigger and better and it is only right to recognise the diligence, tremendous hard work and increasing ambitions of Cim Group staff in making it all happen.

We should also put on record our thanks to our many customers for entrusting their business to us. Without them, we have no revenue. We look forward to doing much more with them in the coming years.



Paul Leech
Group Chief Executive



CORPORATE GOVERNANCE

1. GOVERNANCE STRUCTURE

As a Public Interest Entity and a company listed on the Stock Exchange of Mauritius, Cim Financial Services Ltd ("CFSL" or the "Company") is required to adopt good governance practices. In accordance with the provisions of the Code, the Board set up two committees to assist in the execution of its responsibilities, a Corporate Governance Committee (CGC) and a Risk Management and Audit Committee (RMAC).

The CGC oversees all governance issues relating to the business activities of the Company and all its subsidiaries.

The RMAC oversees the business activities of the Company and its subsidiaries. Due to the specificity of the global business and the credit management sectors, and in keeping with regulatory requirements, dedicated risk management and audit committees were constituted at the level of each of these sectors.

When necessary, other committees are set up by the Board on an ad hoc basis to consider specific matters.

The common directors at each level, as at 30 September 2014, were as follows:

	CFSL	CHL	Elgin
DARGA, Amédée	✓	-	-
DESCROIZILLES, Marcel	✓	-	-
JAUFFRET, Olivier	✓	-	-
LEECH, Paul	✓	-	-
LIM KONG, Jean Pierre	✓	-	-
SOMEN, David	✓	-	-
TAYLOR, Colin	✓	✓	✓
TAYLOR, Matthew	✓	✓	✓
TAYLOR, Philip	✓	✓	✓
TAYLOR, Timothy	✓	✓	✓

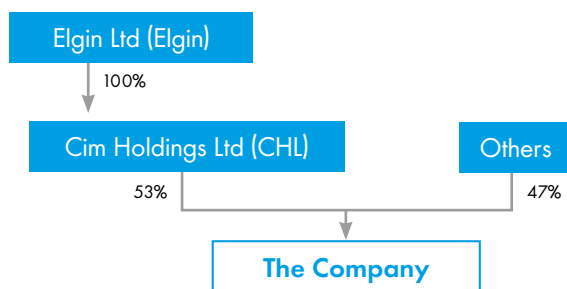
There is no shareholders' agreement at the level of the Company which affects its governance.

The Company adopted a constitution on 24 August 2012. The constitution provides that the shares of the Company are freely transferrable.

2. SHAREHOLDERS

2.1 HOLDING STRUCTURE AND COMMON DIRECTORS

As at 30 September 2014, the ultimate holding structure of the Company was as follows:



2.2 SHARE OWNERSHIP

As at 30 September 2014, the Company had 3,875 shareholders with CHL being the only substantial shareholder of the Company, holding 53% of the stated capital. CHL is wholly owned by Elgin.



A breakdown of the category of shareholders and share ownership is set out below.

Breakdown by Shareholder Category

Category	% of Total Issued Shares	Number of Shareholders	Number of Shares owned
Individuals	15.31	3,303	104,161,595
Insurance & Assurance companies	6.74	13	45,888,507
Pension & provident funds	8.46	29	57,556,165
Investment & Trust companies	0.84	42	5,698,716
Other corporate bodies	68.66	242	467,217,327
	100.00	3,629*	680,522,310

Number of Shares	Number of Shareholders	Number of Shares Owned	% of Total Issued Shares
1-500	387	71,618	0.01
501-1,000	1,046	1,012,533	0.15
1,001-5,000	671	1,827,884	0.27
5,001-10,000	360	2,614,079	0.38
10,001-50,000	732	18,030,273	2.65
50,001-100,000	176	12,715,603	1.87
100,001-250,000	123	20,209,564	2.97
250,001-500,000	55	21,049,781	3.09
over 500,000	79	602,990,975	88.61
Total	3,629*	680,522,310	100

* The above number of shareholders is indicative only because of the consolidation of multiple portfolios for reporting purposes. The total number of active shareholders as at 30 September 2014 was 3,875.

2.3 SHAREHOLDER PUBLICATIONS AND EVENTS

The Company communicates to its shareholders through its Annual Report, which is also accessible on the Cim website (www.cim.mu), publication of unaudited quarterly results, dividend declarations and its yearly annual meeting of shareholders.

The key events and shareholder publications are set out below.

December	Preliminary results and issue of Annual Report
February	Annual Meeting of Shareholders & 1st quarter results
March	Interim dividends (declared)
April	Interim dividends (paid)
May	2nd quarter results
August	3rd quarter results
September	Final dividends (declared)
October	Final dividends (paid)

2.4 DIVIDEND POLICY

Payment of dividends is subject to a solvency test under the Companies Act 2001 and to the profitability of the Company, cash flow, working capital, foreseeable investments and capital expenditure requirements.

For the year under review, the Company paid an interim dividend of Rs 0.10 per share and a final dividend of Rs 0.16 per share.

2.5 SHARE PRICE INFORMATION

For more information on the share price of the Company, please refer to page 6.

CORPORATE GOVERNANCE

3. THE BOARD

3.1 BOARD MEMBERSHIP

During the year under review, the Company was headed by a unitary board, comprised of ten members under the chairmanship of Timothy Taylor. The Chairman does not have any executive responsibilities.

There were two executive directors namely Paul Leech (Group CEO) and Jean Pierre Lim Kong (Chief Finance Executive), and eight non-executive directors, four of whom meet the criteria of the Code for classification as independent directors.

The functions and responsibilities of the Chairman and the CEO are separate.

The CEO is contractually responsible for:

- developing and recommending the long-term vision and strategy of the Company
- generating shareholder value
- maintaining positive, reciprocal relations with relevant stakeholders
- creating an appropriate HR framework to identify the right resources, training them, helping them excel in performance and maintaining positive team spirit
- formulating and monitoring the Company's budgets and financial matters
- establishing an optimum internal control and risk management framework to safeguard the assets of the Company.

The current directors have a broad range of skills, expertise and experience ranging from accounting, commercial and financial to international and legal business.

Nominations of candidates for appointment as directors of the Company are approved by the Company's Corporate Governance Committee, acting in its capacity as Nomination Committee, and recommended to the Board of the Company.

In accordance with the Code, each director is proposed for re-election at the Annual Meeting of Shareholders.

The names of the directors of the Company and their profiles, categories and directorships in other listed companies are set out on pages 12 to 15.

3.2 BOARD CHARTER

The Board has not adopted a board charter as it is of the view that the responsibilities of the directors should not be confined to such a charter.

3.3 BOARD MEETINGS AND CONDUCT

The Board meets regularly to review the Company's overall management and performance, as well as approve its long-term objectives and strategy.

The Board promotes, encourages and expects open and frank discussions at meetings. Board meetings provide a forum for challenging and constructive debate.

The Chairman and the CEO, in collaboration with the Company Secretary, agree on meeting agendas to ensure adequate coverage of key issues during the year. Board packs are usually sent to directors in advance. Directors are expected to attend each Board meeting and each meeting of the committees of which they are members, unless there are exceptional circumstances that prevent them from so doing.

For the year under review, the Board met six times and the table on page 31 shows the attendance of directors at meetings held between 1 October 2013 and 30 September 2014.

Board time was mainly allocated to the following:

- Directors' recommendation for appointment and re-election at the Annual Meeting of Shareholders
- Consideration and approval of the Company's Annual Report
- Review of Company and strategic business units' performance against budgets
- Approval of Group unaudited quarterly results for publication
- Consideration and approval of an interim and a final dividend declaration
- Receipt of quarterly reports from the chairmen of the RMAC and the CGC
- Approval of the external audit fees recommended by the RMAC
- Consideration of investment and divestment proposals.

3.4 BOARD ACCESS TO INFORMATION AND ADVICE

An induction pack, including an induction presentation of the Company's businesses, was provided to newly elected directors.

All directors have access to the Company Secretary to discuss issues or to obtain information on specific areas or items to be considered at Board meetings or any other area they consider appropriate.

Furthermore, directors have access to the Company's records and the right to request independent professional advice at the Company's expense.

The Board and/or its Committees also have the authority to secure the attendance at meetings of third parties with relevant experience and expertise as and when required.

	Note	Attendance			Interests		Remuneration
		Board meetings	CGC	RMAC	Direct	Indirect	MUR
TAYLOR, Timothy		6/6	n/a	n/a	0.41	14.31	700,000
LEECH, Paul	1	5/6	2/2	0/2	0.0051	nil	10,854,800
DARGA, Amédée	2	5/6	n/a	3/4	nil	nil	400,000
DESCROIZILLES, Marcel		6/6	n/a	7/7	0.0037	nil	950,000
JAUFFRET, Olivier	3	4/4	2/2	n/a	nil	nil	458,879
LIM KONG, Jean Pierre		6/6	n/a	n/a	0.0001	nil	7,830,799
SOMEN, David	3	4/4	2/2	n/a	nil	nil	459,750
TAYLOR, Colin		5/6	2/2	n/a	0.0039	2.99	480,000
TAYLOR, Matthew		6/6	2/2	n/a	0.0059	nil	490,000
TAYLOR, Philip		6/6	n/a	6/7	nil	2.99	650,000
HARE, OLIVER	4	0/0	n/a	n/a	nil	nil	n/a
HEBERDEN, Vaughan	5	0/2	n/a	n/a	n/a	n/a	6,870,094

Note 1: Mr Paul Leech was appointed as member of the RMAC on 10 May 2013 and he stepped down from the RMAC when he was appointed Group CEO on 1 January 2014.

Note 2: Mr Amédée Darga was appointed on the RMAC on 6 February 2014.

Note 3: Messrs Olivier Jauffret and David Somen were appointed as directors on 10 Dec 2013 and as members of the CGC on 6 February 2014.

Note 4: Mr Olivier Hare stepped down as director on 4 November 2013.

Note 5: Mr Vaughan Heberden stepped down as CEO and director on 31 December 2013.

3.5 BOARD PERFORMANCE REVIEW

A review of the performance of the Board and its committees was carried out and the results will be used to improve the effectiveness of the Board and the Committees.

3.6 INTERESTS OF DIRECTORS

All directors, including the Chairman, declare their direct and indirect interests in the shares of the Company. They also follow the Model Code for Securities Transactions as detailed in Appendix 6 of the Stock Exchange of Mauritius Listing Rules whenever they deal in the shares of the Company.

For the year under review, the following directors dealt in the shares of the Company:

Name of directors	Number of shares acquired
Marcel Decroizilles	25,000
Paul Leech	34,800

3.7 INDEMNITIES AND INSURANCE

The Company subscribes to a directors' and officers' liability insurance policy. The policy provides cover for the risks arising out of acts or omissions of the directors and officers of the Company. The cover does not provide insurance against fraudulent, malicious or wilful acts or omissions.

4. BOARD COMMITTEES

4.1 CORPORATE GOVERNANCE COMMITTEE (CGC)

Chairman – David Somen (as from 6 February 2014)

Members – Olivier Jauffret, Paul Leech, Colin Taylor and Matthew Taylor

The CGC is comprised of two independent directors, two non-executive directors and one executive director namely the Group CEO. It also serves as the Remuneration and Nomination Committees.

The CGC met twice during the year under review and the table on page 31 sets out the attendance of members at such meetings.

CORPORATE GOVERNANCE

The CGC's terms of reference have been reviewed and are aligned with the Code.

The main responsibilities of the CGC as per its terms of reference include:

- (a) making recommendations to the Board on all corporate governance provisions to be adopted so that the Board remains effective and complies with prevailing corporate principles and practices;
- (b) ensuring that the disclosure requirements with regard to corporate governance, whether in the annual or other reports, are in accordance with the principles of the applicable Code of Corporate Governance;
- (c) making recommendations to the Board on all new Board appointments;
- (d) formally reviewing the balance and effectiveness of the Board;
- (e) developing a policy on executive remuneration and for fixing the remuneration and benefit packages of individual directors within agreed terms of reference and, at the same time, avoiding potential conflicts of interest;
- (f) in relation to the remuneration of non-executive directors, to avoid any perception of self-interest, making recommendations to the full Board for its consideration; and
- (g) reviewing and recommending to the Board the Remuneration policy of the Cim Group.

4.2 RISK MANAGEMENT AND AUDIT COMMITTEE (RMAC)

Chairman – Marcel Descroizilles

Members – Philip Taylor and Amédée Darga

In attendance – Sheila Ujoodha (Chief Risk and Audit Executive) and Jean Pierre Lim Kong (Chief Finance Executive)

The RMAC is composed of two independent directors and one non-executive director.

The RMAC's terms of reference are in accordance with provisions of the Code and were approved by the Board on 12 February 2013.

The Committee met seven times during the year under review. The table on page 31 sets out the attendance of members at such meetings.

The main responsibilities of the RMAC as per its terms of reference include:

(a) Ensuring that

- all risks pertaining to business operations and activities are reviewed and managed to an acceptable level
- all internal accounting, administrative and risk control procedures are designed to provide assurance that assets are safeguarded
- transactions are executed and recorded in accordance with Company policy.

(b) Reviewing

- important accounting issues
- changes in legislation that will give rise to changes in practice
- compliance with regard to specific disclosures in the financial statements
- quarterly, preliminary and annual and any other financial reports.

5. STATEMENT OF REMUNERATION PHILOSOPHY

Executive directors are not remunerated for serving on the Board of the Company or its committees. Their remuneration packages as employees of the Company, including performance bonuses, are in accordance with market rates. The remuneration paid to executive and non-executive directors and/or committee members is set out in the table on page 31.

6. INTERNAL CONTROL, INTERNAL AUDIT AND RISK MANAGEMENT

The Group's internal control and risk management framework and the key risks as well as the steps taken to manage these risks are detailed on pages 38 to 41.

7. HUMAN RESOURCES

7.1 HUMAN RESOURCE INITIATIVES

To align with and support the Group strategic objectives, the Human Resource initiatives implemented for the 2013/2014 financial year aimed at improving employee engagement through learning and development, new employee benefits, recognition programmes and health and wellness activities.

7.2 LEARNING AND DEVELOPMENT

The learning and development strategy focused on enhancing the technical skills of our employees with

a view to ensuring that they have the necessary skills, knowledge and attitude to fulfil their roles. Our Business Units partnered with a number of institutions to provide specialised and technical training.

Cim Global Business Ltd organised a Director Induction programme for the management team facilitated over five half-days by Temple Professionals Ltd. The objective was to underline the different aspects of Directorship for our clients. Accountants within the Business Unit also received specialised training to enhance their MS Excel skills in order to ease their day-to-day work.

Moreover, in-house courses on changes to the Companies Act, the Financial Services Act and International Arbitration in the Global Business Sector were provided to keep employees up to date with the legal framework governing the business.

Cim Finance conducted refresher courses on product knowledge, ISO:9001:2008, Anti-Money Laundering and Combating the Financing of Terrorism. In addition, all employees attended a one-day training session on personal grooming and business etiquette to ensure they display the appropriate behaviours and attitude when dealing with customers, both internal and external.

Cim Finance also introduced a "Buddy" programme to create a welcoming environment, offer guidance and share experience to support new recruits joining the organisation. A first batch of 22 employees have been trained to act as buddies.

7.3 PROMOTING SAFETY, HEALTH AND WELLNESS

At Cim Group, we believe that creating a working environment that focuses on employee safety and health, wellness and well-being is a key engagement driver.

For the 2013/2014 financial year, the Group has implemented a Safety and Health Policy and Handbook providing clear guidelines to management and employees. Awareness sessions were organised to promote better understanding of the need for safety and health among employees as well

as their roles and responsibilities in making the workplace safer.

The Group reaffirmed its commitment towards safety and health through the organisation of its first Safety and Health Week in April 2014. Talks on cancer, road safety, prevention of aggression and cardiovascular diseases were held in collaboration with various stakeholders, including the Ministry of Health and the Mauritius Police Force.

Employees also underwent an annual general health check-up as well as eye and cancer screening. Activities such as an introduction to yoga and Zumba, and laughing therapy sessions were offered to encourage them to maintain good health hygiene practices and help fight stress at work.

7.4 CELEBRATING DIVERSITY

Cultural celebrations give employees the opportunity to learn and understand more about cultures different from their own. The Group promoted diversity through the celebration of Divali, the Chinese Spring Festival and Eid ul-Fitr. Employees were invited to dress in traditional outfits and lunch was offered along with the distribution of cakes and sweets. Additionally, the offices and reception areas of our Business Units were specially decorated for these occasions.

7.5 EMPLOYEE RECOGNITION

As one of employee engagement initiatives for the 2013/2014 financial year, recognition programmes were introduced to recognise and reward work and behaviours that support/further the goals, values and initiatives of the Group. In November 2013, Cim Global Business and Cim Finance launched the "Bull Award" and "Ace at Cim" programmes respectively to acknowledge employee achievements by public recognition of their accomplishments and rewarding them with awards.

Other recognition activities such as the Milestone Celebrations were implemented. The programme celebrates the tenure of employees within the organisation – employees are eligible after completing 10 or 15 years of continuous service.

WE BELIEVE
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ENGAGEMENT
DRIVER.

CORPORATE GOVERNANCE

7.6 EMPLOYEE BENEFITS

Benefits are important in order to better motivate employees, drive their engagement and increase their job loyalty. During the financial year under review, the Group has provided them with additional benefits in the form of a welfare fund, a staff credit card and a loan scheme.

The Cim Welfare Fund was set up in April 2014 to provide financial support to staff and their families facing exceptional circumstances or hardship. Funds advanced can be used to help meet medical or educational costs, for example. Five out of 12 applications received were approved by the Cim Welfare Fund Committee after reviewing.

The Cim Staff Credit Card was launched on 15 July 2014. Group employees holding this card enjoy interest rates of only 7.5%.

The last initiative is the Cim Staff Loan Scheme, effective as from 14 July 2014. Under the scheme, Cim Group personnel are entitled to maximum loan facilities equalling to 3 months of their basic salary at a preferential rate of 7.5% per annum. The scheme has been very successful; more than 100 employees have benefited from this credit facility by financial year end.

7.7 PROFILES AND STATEMENTS OF INTEREST OF THE SENIOR EXECUTIVE TEAM (EXCLUDING DIRECTORS)

The profiles of senior executive team members can be found on pages 16 to 19.

The table below sets out the direct and indirect interests of senior officers (excluding directors) as at 30 September 2014, as required by the Securities Act 2005.

No	Surname	Names	Direct %	Indirect %
1	Audit	Renu	0.0001	nil
2	Chung Kai To	Cyril	0.0005	nil
3	Coopoosamy	Deven	0.0002	nil
4	Dewoo Pydiah	Premila	0.0001	nil
5	Gowrea	Gyaneshwarnath	0.0001	nil
6	Gujadhur	Bud	0.0041	nil
7	Gujjalu	Rajiv	0.0001	nil
8	Hare	Oliver Anthony	nil	nil
9	Liong Kee	Lim Tat Voon	0.0051	nil
10	Low Kwan Sang	Steeve	0.0001	nil
11	Maharahaje	Tioumitra Panday Woogra	0.0022	nil
12	Roussety	Yannick	0.0008	nil
13	Sassa	Bilal	0.0001	nil
14	Shahabally	Rooksana Bibi	0.0004	nil
15	Sultunti	Asnath	0.0001	nil
16	Ujoodha	Sheila	0.0001	nil
17	Wong Yin Sang	Clovis Sui Fung	0.0095	nil

8. OTHER MATTERS

8.1 PROMOTING SUSTAINABILITY

The Company is committed to reducing its carbon footprint over time across its businesses. To achieve this, Management implemented measures to reduce resource consumption and will continue to identify areas for improvement.

8.2 RELATED PARTY TRANSACTIONS

Please refer to page 105 of the Annual Report.

8.3 MANAGEMENT AGREEMENTS

The Company has management contracts with Lochiel Ltd for the management of the Company's immovable properties and with Taylor Smith & Sons Ltd for the management of The Brandhouse Ltd (ex J.M. Goupille and Company Ltd).

8.4 DONATIONS AND CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company did not make any political donations during the year in review.

Corporate Social Investment

The Cim Social Development Trust (the "Trust") was established on 4 April 2013 under the laws of Mauritius pursuant to the Trust Act 2001 and accredited by the Mauritius National Corporate Social Responsibility (NCSR) Committee on 16 May 2013. The Trust receives annual statutory contributions from all entities within the Group for the purposes of corporate social responsibility ("CSR"). The Group's CSR activities reflect our commitment to creating sustainable value for the social, environmental and economic well-being of society.

For the year under review, a call for proposals was launched in January inviting non-governmental organisations (NGOs) to submit for consideration projects falling within the Group's main focus areas: advancing financial literacy and education, helping preserve the environment and supporting the community and vulnerable groups. This operation generated wide-ranging interest: out of the 79 projects submitted, 25 of which were financed at a cost of Rs 13m and spent as follows:

(a) Financial Literacy and Education

As a Group operating in the financial services sector, we believe that a higher level of financial literacy and education not only enriches the life of the individual but also contributes to healthy economic growth in society. The programmes funded under this focus area are:

NGO	Project
Association pour l'Éducation des Enfants Défavorisés (APEDED)	Literacy and numeracy courses for 25 mothers
CARITAS Ile Maurice	Life skills management programmes and basic literacy course for vulnerable families, unemployed persons and illiterate youth
Fondation pour l'Enfance – Terre de Paix	Funding for the rental of 8 houses as part of an ongoing foster care programme, implementing re-socialisation programmes to address behaviour problems and following up of educational activities
Junior Achievement Mascareignes	Setting up of a new programme named "Managing your money smartly" in collaboration with the Cim Group
Oasis de Paix	Financing of the salaries and related expenses for four teaching staff at Ecole Père Henri Souchon, an NGO dedicated to educating out-of-school youngsters and helping them to achieve employment
Pont du Tamarinier	Establishment of a learning space for 38 families at Carré d'As Village
Soroptimist International-IPSAE Club of Mauritius	TILAPIA, an IT enhancement project for primary school children in Camp Leveux
SOS Children's Villages Mauritius	Informal vocational education and training at Baz-Formasyon SOS Vilaz
Ti Rayons Soleil	Literacy and educational programme for underprivileged children in Black River
Quartier de Lumière	Sponsoring of educational project for children of La Valette through the financing of school materials, educational outings and medical expenses

CORPORATE GOVERNANCE

(b) Helping Preserve the Environment

The Group's belief in engaging all generations in environmental issues was materialised through support provided to two specific NGOs:

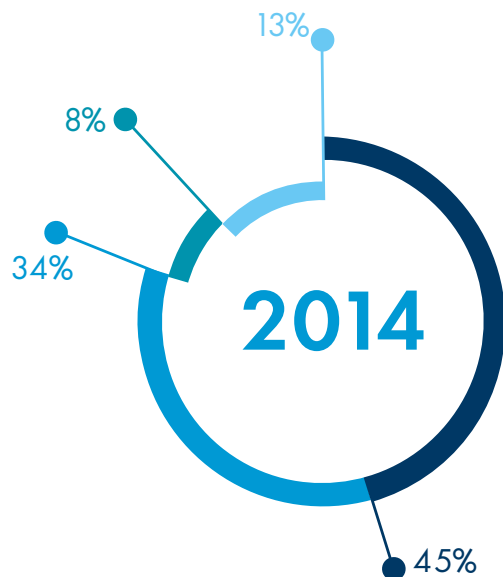
NGO	Project
Mauritian Wildlife Foundation	Captive breeding programme at Gerald Durrell Endemic Wildlife Sanctuary
PAWS	Subsidising the cost of sterilisation for animals whose owners have limited financial resources

(c) Helping the Community and Vulnerable Groups

The Group is committed to supporting the community within which it operates. Over the years, it has helped NGOs which focus their activities on vulnerable communities, especially children and teenagers requiring educational help and children who need financial help for health care. Initiatives funded include:

NGO	Project
Adolescent Non-Formal Education Network (ANFEN)	Providing extra-curricular non-formal learning activities to support the inclusion of vulnerable out-of-school adolescents
ADMEH – Association des Malades et Handicapés de l'Est – Centre Joie de Vivre	Provision of medical and rehabilitation services to young persons with disabilities
Angel Special School & Welfare Association	Individualised training and development skills of children with special needs or profound and multiple learning difficulties.
Association Ki Fer Pa Mwa	Involvement of Cim Group employees in the organisation of end-of-year celebrations
Association de Parents d'Enfants Inadaptés de l'Ile Maurice (APEIM)	Acquisition of a vehicle for the Early Intervention Service, a decentralized outreach programme for young disabled children and their families
Autisme Maurice	Development of a proper Autism Resource Centre
Etoile du Berger	Involvement of Cim Group employees in the organisation of (i) an educational and recreational visit to Casela Nature Park, and (ii) enhancement of the NGO's premises
Joie de Vivre Universelle	Empowerment and development programme for intellectually impaired children through a client-centred approach
Lizié dan la main	Acquisition of a Braille SpotDot EmPrint Embosser and maths software for vision-impaired children
NEF	Funding of school materials
PILS	Improvement of the quality of life of children living with HIV & AIDS through psychological, social and medical support
Rêve & Espoir	Music, craft and sports therapy for children and young adults with mental disabilities; installation of toilet facilities for paraplegic persons
Ti Diams	Sponsorship of annual diabetic camp

CSR Contribution 2014



- Financial Literacy and Education
- Environment
- Community Support
- Administrative Cost

Tioumitra Maharahaje
For Cim Administrators Ltd
 Company Secretary
 9 December 2014



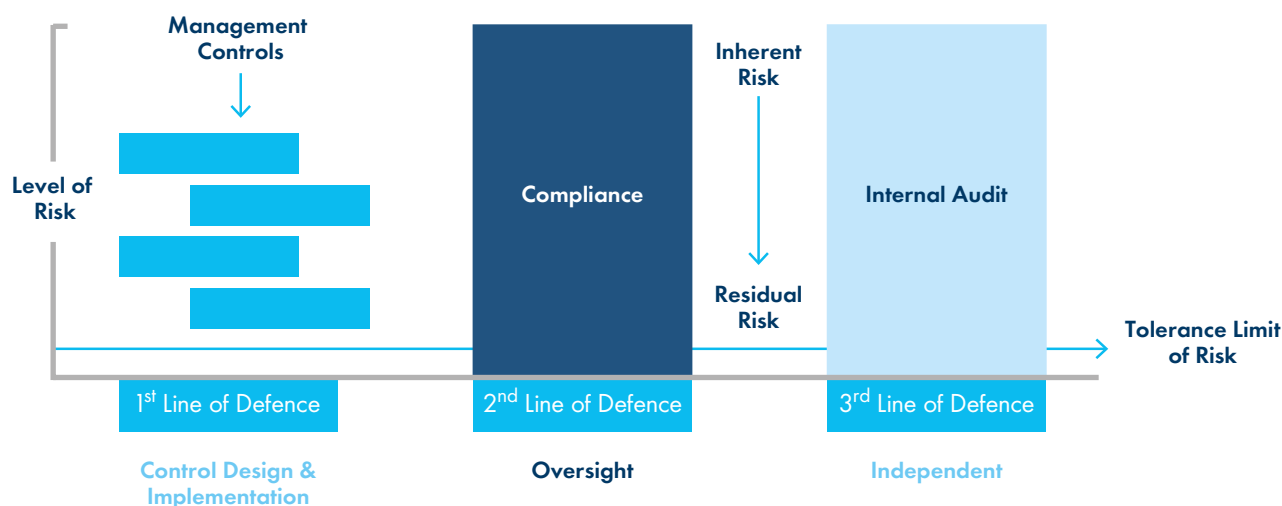
INTERNAL CONTROL AND RISK MANAGEMENT

The importance of managing risks for an effective corporate governance culture is largely acknowledged at the level of Cim Group. The Board has overall responsibility for the whole internal control and risk management system. The latter, when integrated across the Group and embedded in the culture, is not just a protective tool but is capable of creating a competitive edge in a dynamic environment.

The Risk Management and Audit Committee (RMAC) is a subcommittee of the Cim Financial Services Ltd Board established to assist the Board in fulfilling its responsibilities. Hence, the Committee reviews the financial statements, risk philosophy, strategy as well as policies recommended by Management and monitors the internal and external audit activities.

To manage risks, the Group has established "three lines of defence":

- The Board delegates the conduct of internal control and risk management activities to the first line of defence that is Management
- The Compliance function, being the second line of defence and based at business unit level, provides ongoing support to Management to ensure adherence to current policies, procedures, laws and regulations
- Internal auditing is the third line of defence through both its assurance and consulting roles, contributing to the management of risks in a variety of ways.



INTERNAL CONTROL

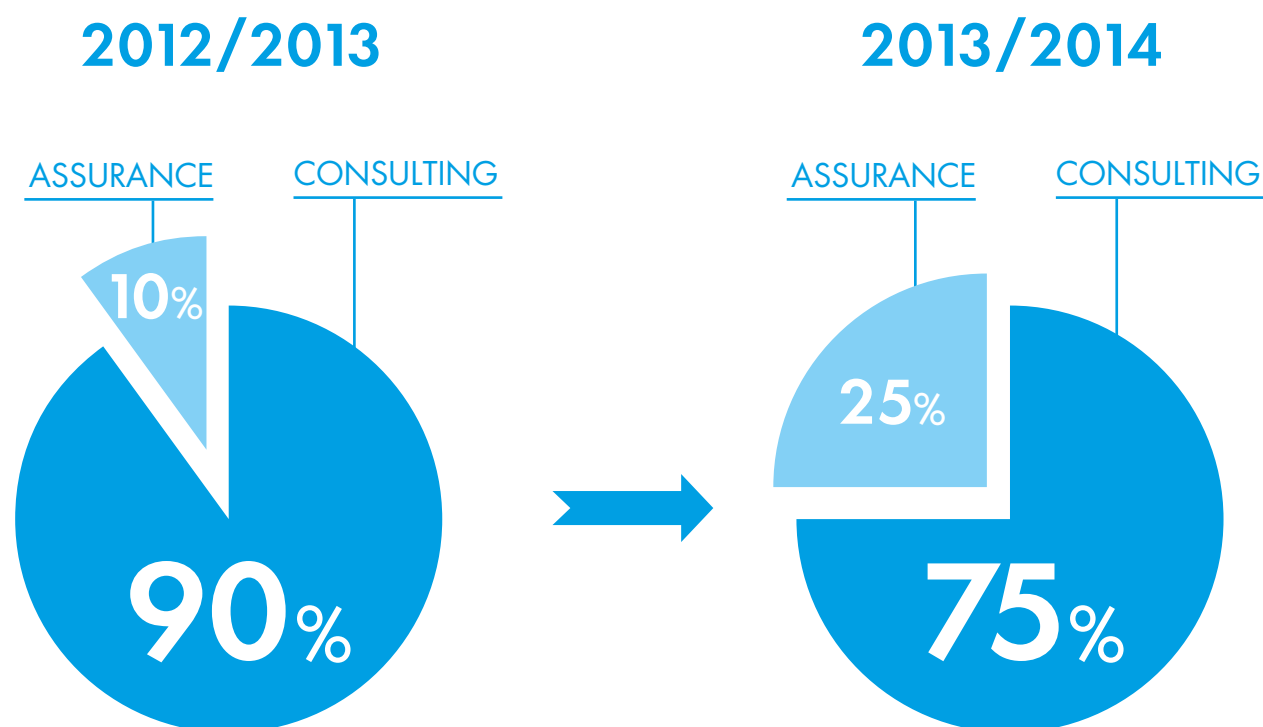
The internal control system is primarily designed to manage rather than eliminate the risks of failure in meeting business objectives. Internal controls can provide only reasonable assurance against material misstatement or loss. Each business unit, including the Corporate Office, maintains internal control procedures appropriate to its structure and business environment, whilst complying with Group policies, standards and guidelines.

INTERNAL AUDIT

Internal auditing services are provided by the Risk and Audit Department, headed by the Chief Risk and Audit Executive. The latter reports functionally to the Chairman of the RMAC of Cim Financial Services Ltd and administratively to the Group Chief Executive Officer. The vision of the department was reviewed to reflect the move towards a "trusted advisor level of service". The main attributes of the department are:



The roles and responsibilities of the internal audit function are documented in an internal audit charter, as approved by the RMAC and the Board. Internal audit services are not limited to providing assurance and satisfying regulatory compliance requirements, although these remain the core expectations of the function. The challenge has been for the Risk and Audit Department to become more collaborative than ever, hence shifting the balance between assurance and advisory to achieve greater business insights.



Internal Audit activities are conducted using a risk-based planning approach and in accordance with audit plans approved by the RMAC. Regular reports are shared with the RMAC, senior management and external auditors.

WHISTLE-BLOWING POLICY AND CRISIS MANAGEMENT PLAN

As part of its consulting role, the Risk and Audit Department has designed a Group whistle-blowing policy. The latter is being implemented in a phased approach, starting with Cim Finance Ltd and Cim Forex Ltd. The second phase of implementation is due in the next financial year for Cim Global Business Ltd and the Corporate Office. Training has been offered to all staff to ensure proper understanding of the whistle-blowing policy.

A Group crisis management plan has also been drafted and a simulation exercise was conducted on 16th September 2014 with the assistance of an external consultant. The crisis management plan will be updated to include the latter's feedback and other key learnings. The Risk and Audit Department also conducted several awareness sessions with key players to facilitate the smooth running of the simulation exercise.

RISK MANAGEMENT

During the year, the Risk and Audit department has played a facilitation role in risk management which includes the following:

- Developing risk management guideline for Board approval
- Co-ordinating risk management activities
- Coaching management in responding to risks
- Consolidated reporting on risks
- Maintaining and developing the Risk Management framework

The key attributes of Management who is responsible for owning and managing the risks:

- Setting the risk appetite
- Implementing risk responses
- Accountability for risk management

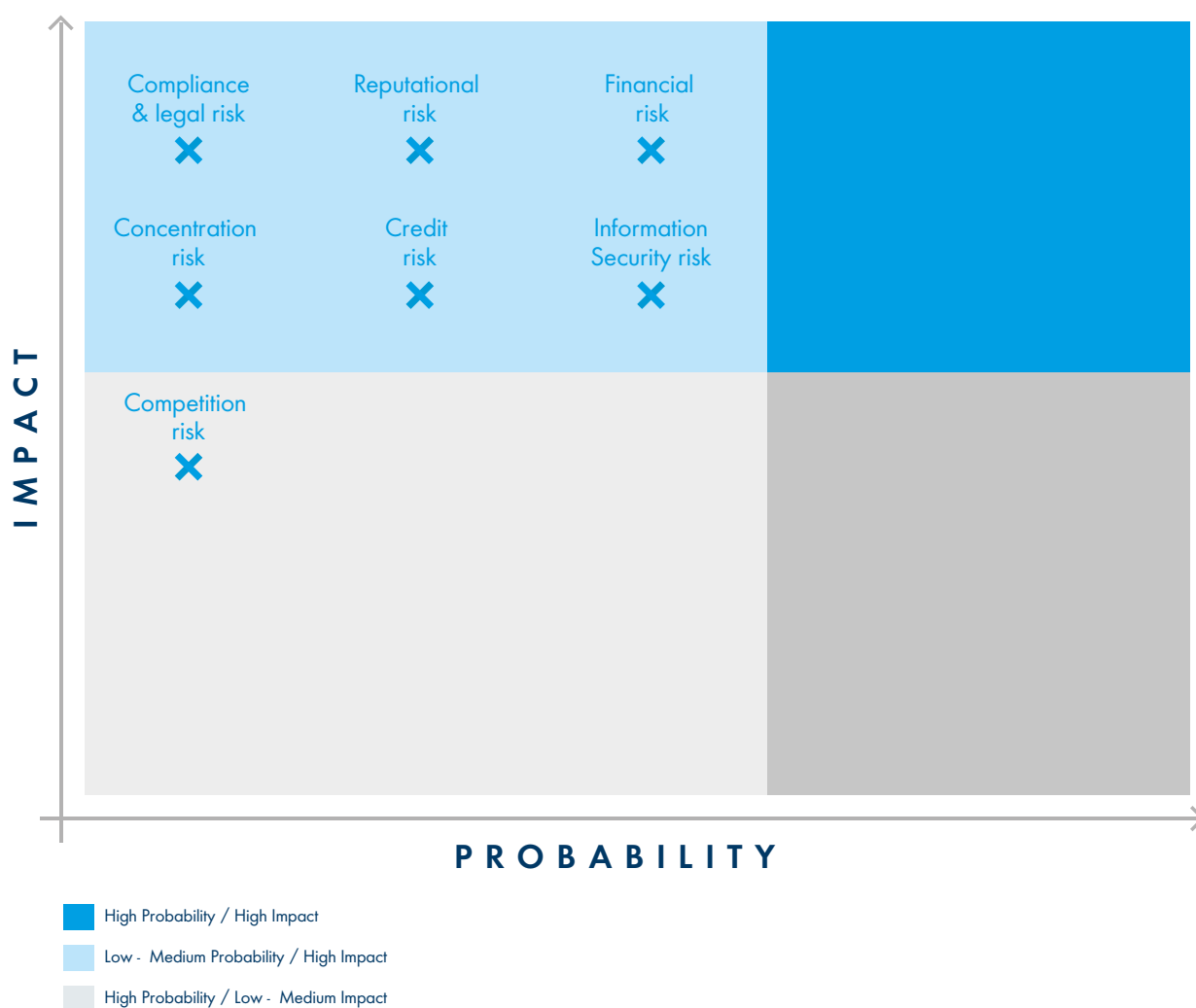
A business risk register is kept to record the key risks faced by Group entities, the mitigation measures taken against them, and the accountability for those mitigating actions.

INTERNAL CONTROL AND RISK MANAGEMENT

The register is reviewed, edited and updated and is tabled regularly at the Business Unit management meeting and at Board level.

Two important ways in which the Risk and Audit Department has added value to the organisation are in providing objective assurance of proper management of business risks and of effective operation of risk management and internal control framework. Regular monitoring of the top risks is carried out and risk reports are filtered through respective management committees (Manco) and executive committee (Exco) meetings.

The key risks that could potentially affect the Group's performance are mostly located in the "low to medium probability/high impact" quadrant and are summarised below:



THE KEY RISKS ARE MITIGATED AS FOLLOWS:
1. Compliance and Legal Risk
<ul style="list-style-type: none"> • Regular compliance reviews are carried out to monitor and update control processes on a continual basis. • Specific training on compliance procedures is regularly given to relevant staff. • Professional legal and tax advice is sought in-house and/or externally as and when required. • The Group maintains an insurance programme against potential legal liabilities. This is reviewed annually. • Active involvement of the Global Business cluster in industry committees to monitor external influences.
2. Reputational Risk
<ul style="list-style-type: none"> • Adherence to stringent client acceptance and due diligence procedures. • Staff training on compliance and anti-money-laundering procedures. • Regular reviews and reinforcement of policies, procedures and controls with input from the compliance and internal audit functions.
3. Financial Risk
<ul style="list-style-type: none"> • Foreign exchange exposures are monitored continuously managed through the application of hedging strategies which are coordinated by the centralised treasury function. • Exposures to fluctuations and mismatches in interest rates are continuously tracked and managed. Such exposures are reviewed regularly by Asset and Liability Committees at company and Group levels. • Cim Finance Ltd adheres strictly to the prudential regulations of the Bank of Mauritius in respect of minimum levels of liquid funds to be held and monitors its liquidity position continually.
4. Concentration Risk
<ul style="list-style-type: none"> • Cim Global Business Ltd is actively working to reduce its dependency on tax treaty-related work through an on-going diversification strategy and regularly monitors external influences via industry committees. • Cim Finance Ltd has launched new products and has provided ancillary services to customers.
5. Credit Risk
<ul style="list-style-type: none"> • The Group reviews its exposures, credit policies and procedures on a regular basis. • The vetting process includes credit checks performed through the Mauritius Credit Information Bureau. • The Group maintains a balanced and diversified portfolio of clients to limit any significant concentration of credit exposure. • The Group proactively promotes Credit Protection Plan cover.
6. Information Security Risk
<ul style="list-style-type: none"> • Multi-layered controls are in place to protect the Group's information and technical infrastructure. • On-going training is provided to raise staff awareness of the importance of maintaining a high level of information security. • IT security infrastructure and practices have been reviewed. • Increased investment in preventive technology is currently being carried out.
7. Competition Risk
<ul style="list-style-type: none"> • The Group has carried out regular review of markets, trading opportunities and competitor activities. • Customer processes are reviewed and documentation simplified. • Market research is carried out to monitor the competitors move. • Cim Finance Ltd is playing a more significant role in providing leasing and factoring services to SMEs.





OTHER STATUTORY DISCLOSURES

Directors' remuneration and benefits

Directors of Cim Financial Services Ltd

Executive

Non-Executive

2014	2013
Rs m	Rs m

26.9

21.3

4.7

5.8

Directors of Subsidiary companies

23 Executive (26 in 2013)

16 Non-Executive (17 in 2013)

67.3

76.4

1.6

1.5

Donations

Donations (charitable)

Donations (political)

GROUP		COMPANY	
2014	2013	2014	2013
Rs m	Rs m	Rs m	Rs m
12.9	10.0	-	-
-	-	-	-

Auditors' fees

Audit fees paid to :

BDO

Other firms

Fees paid for other services provided by :

BDO

Other firms

GROUP		COMPANY	
2014	2013	2014	2013
Rs m	Rs m	Rs m	Rs m
2.4	2.3	0.3	0.3
1.5	2.0	-	-
0.6	0.7	0.2	0.4
0.3	2.9	0.3	-

Detailed description and nature of non-audit services

The non-audit fees paid to BDO & Co relate mainly to quarterly review of consolidated figures per quarters and internal control services as per Bank of Mauritius.

DIRECTORS' REPORT

(a) Financial statements

The directors of Cim Financial Services Ltd (the "Company") are responsible for the integrity of the audited financial statements of the Group and the Company and the objectivity of the other information presented in these statements.

The Board confirms that, in preparing the audited financial statements, it has:

- (i) selected suitable accounting policies and applied them consistently;
- (ii) made judgements and estimates that are reasonable and prudent;
- (iii) stated whether applicable accounting standards have been followed, subject to any material departures explained in the financial statements;
- (iv) kept proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company;
- (v) safeguarded the assets of the Company by maintaining internal accounting and administrative control systems and procedures; and
- (vi) taken reasonable steps for the prevention and detection of fraud and other irregularities.

(b) Going concern statement

On the basis of current projections, we are confident that the Group and the Company have adequate resources to continue operating for the foreseeable future and consider that it is appropriate that the going concern basis in preparing the financial statements be adopted.

(c) Internal control and risk management

The Board is responsible for the system of Internal Control and Risk Management for the Company and its subsidiaries. The Group is committed to maintaining continuously a sound system of risk management and adequate control procedures with a view to safeguarding the assets of the Group.

The Board believes that the Group's systems of internal control and risk management provide reasonable assurance that control and risk issues are identified, reported on and dealt with appropriately.

(d) Donations

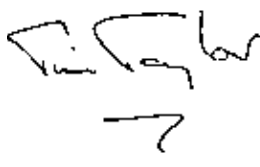
The Company did not make any political contributions in this financial year. For details on the charitable donations made by the Company, please refer to page 44.

(e) Governance

The Board strives to apply the principles of good governance within the Company and its subsidiaries.

(f) Audited Financial Statements

The audited financial statements of the Group and the Company which appear on pages 50 to 108 were approved by the Board on 9 December 2014 and are signed on their behalf by:



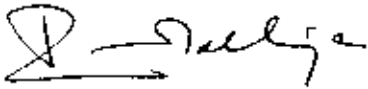
Timothy Taylor
Chairman



Paul Leech
Director & Group CEO

SECRETARY'S CERTIFICATE

In my capacity as Company Secretary of Cim Financial Services Ltd (the "Company"), I hereby confirm that, to the best of my knowledge and belief, the Company has filed with the Registrar of Companies, for the financial year ended 30 September 2014, all such returns as are required of the Company under the Companies Act 2001.



Tioumitra Maharajah
For Cim Administrators Ltd

Company Secretary

9 December 2014

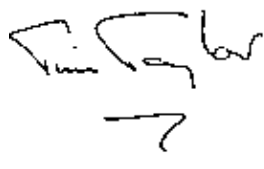
STATEMENT OF COMPLIANCE

(SECTION 75 (3) OF THE FINANCIAL REPORTING ACT)

Name of Public Interest Entity: Cim Financial Services Ltd (the "Company")

Reporting Period: 1st October 2013 to 30 September 2014

We, the Directors of the Company confirm that to the best of our knowledge that the Company has complied with all of its obligations and requirements under the Code of Corporate Governance.



Timothy Taylor
Chairman
9 December 2014



Paul Leech
Director & Group CEO
9 December 2014

CIM FINANCIAL SERVICES LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

This report is made solely to the members of Cim Financial Services Ltd (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 group financial statements of Cim Financial Services Ltd and its subsidiaries (the "Group") and the Company's separate financial statements on pages 50 to 108 which comprise the Statements of Financial Position at 30 September 2014, Statements of Profit or Loss, Statements of Profit or Loss and Other 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, and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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.

CIM FINANCIAL SERVICES LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

REPORT ON THE FINANCIAL STATEMENTS (CONT'D)

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 50 to 108 give a true and fair view of the financial position of the Group and of the Company at 30 September 2014, 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, business advisers and dealings in the ordinary course of business.

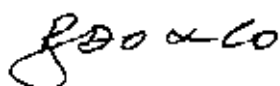
We have obtained all information and explanations we have required.

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

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 disclosure in the annual report is consistent with the requirements of the Code.



BDO & CO

Chartered Accountants

9 December 2014

Port Louis,
Mauritius



Ameenah Ramdin, FCCA, ACA

Licensed by FRC

CIM FINANCIAL SERVICES LTD

STATEMENTS OF PROFIT OR LOSS

YEAR ENDED 30 SEPTEMBER 2014

	NOTES	GROUP		COMPANY	
		Sep-14 Rs m	Sep-13 Rs m Restated	Sep-14 Rs m	Sep-13 Rs m
Revenue	5	3,501.7	3,246.0	406.3	344.0
Profit from operations	6	817.3	735.3	394.7	329.7
Finance costs	7	(261.4)	(272.5)	(80.7)	(67.2)
Gain on revaluation of investment properties	12	114.2	-	3.1	-
Share of results of associates	15	3.1	14.9	-	-
Share of result of joint venture	16	22.0	3.2	-	-
Profit before exceptional items		695.2	480.9	317.1	262.5
Exceptional items:					
Profit on disposal of financial assets	8	-	95.9	-	97.8
Write-back of loan		-	-	-	5.8
Impairment of investment	14	-	-	-	(35.9)
Profit before taxation		695.2	576.8	317.1	330.2
Taxation	9	(96.7)	(86.5)	(0.5)	-
Profit for the year		598.5	490.3	316.6	330.2
Attributable to:					
Owners of the parent		604.3	493.6	316.6	330.2
Non controlling interests		(5.8)	(3.3)	-	-
		598.5	490.3	316.6	330.2
Earnings per share	30	Rs. 0.89	0.72	0.47	0.49

The explanatory notes on pages 56 to 108 form an integral part of these financial statements.

Auditors' report on pages 48 and 49.

CIM FINANCIAL SERVICES LTD

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED 30 SEPTEMBER 2014

	NOTES	GROUP		COMPANY	
		Sep-14 Rs m	Sep-13 Rs m Restated	Sep-14 Rs m	Sep-13 Rs m
Profit for the year		598.5	490.3	316.6	330.2
Other comprehensive income	10				
<i>Items that will not be reclassified to profit or loss:</i>					
Gain on revaluation of land and buildings		176.9	-	-	-
Remeasurement of defined benefit obligations		(3.4)	(7.2)	-	-
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Exchange difference on translation of foreign entities		2.2	1.6	-	-
Movement in reserves of associates	15	-	(0.1)	-	-
Losses arising on cash flow hedges		(0.7)	(0.7)	(0.7)	(0.7)
Other comprehensive income for the year, net of tax		175.0	(6.4)	(0.7)	(0.7)
Total comprehensive income for the year		773.5	483.9	315.9	329.5
Attributable to:					
Owners of the parent		685.9	487.2	315.9	329.5
Non controlling interests		87.6	(3.3)	-	-
		773.5	483.9	315.9	329.5

The explanatory notes on pages 56 to 108 form an integral part of these financial statements.

Auditors' report on pages 48 and 49.

CIM FINANCIAL SERVICES LTD


STATEMENTS OF FINANCIAL POSITION

30 SEPTEMBER 2014

NOTES	GROUP			COMPANY	
	Sep-14 Rs m	Sep-13 Rs m Restated	1-Oct-12 Rs m Restated	Sep-14 Rs m	Sep-13 Rs m
ASSETS					
Non current assets					
Property, plant and equipment	11 1,423.9	1,115.1	1,157.6	-	-
Investment properties	12 556.1	477.5	480.2	30.8	27.7
Intangible assets	13 661.6	670.8	679.5	-	-
Investment in subsidiary companies	14 -	-	-	1,831.3	1,823.0
Investment in associates	15 26.5	23.4	121.9	16.2	16.2
Investment in joint venture	16 91.7	69.7	69.5	-	-
Investment in financial assets	17 753.2	445.2	323.2	309.7	9.7
Non current receivables	18 81.8	90.8	125.7	540.0	660.0
Net investments in leases and other credit agreements	19 1,954.5	1,611.2	1,395.6	-	-
Retirement benefit assets	27 9.6	10.2	-	-	-
Deferred taxation	26 -	0.7	-	-	-
	5,558.9	4,514.6	4,353.2	2,728.0	2,536.6
Current assets					
Inventories	20 338.2	283.4	263.6	-	-
Net investments in leases and other credit agreements	19 1,952.0	1,768.5	1,533.7	-	-
Consumable biological assets	21 1.5	1.1	-	-	-
Trade and other receivables	22 1,165.8	1,270.2	1,218.7	710.7	714.2
Investment in financial assets	17 -	13.3	31.8	-	-
Bank balances and cash	23 608.6	502.0	498.6	2.8	5.1
	4,066.1	3,838.5	3,546.4	713.5	719.3
	9,625.0	8,353.1	7,899.6	3,441.5	3,255.9
Non current assets classified as held for sale	-	-	19.6	-	-
	9,625.0	8,353.1	7,919.2	3,441.5	3,255.9
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	24 680.5	680.5	680.5	680.5	680.5
Reserves	1,973.6	1,468.7	1,131.2	1,026.3	887.3
Equity attributable to owners of the parent	2,654.1	2,149.2	1,811.7	1,706.8	1,567.8
Non controlling interests	398.2	314.4	317.7	-	-
Total equity	3,052.3	2,463.6	2,129.4	1,706.8	1,567.8
Non current liabilities					
Borrowings	25 2113.5	1,982.5	1,653.0	920.1	1,088.4
Deferred taxation	26 3.2	-	7.9	0.5	-
Retirement benefit obligations	27 90.0	80.8	55.7	-	-
	2,206.7	2,063.3	1,716.6	920.6	1,088.4
Current liabilities					
Borrowings	25 3,083.3	2,562.5	2,836.5	570.0	408.5
Trade and other payables	28 1,142.0	1,154.6	1,216.8	135.2	109.5
Dividend payable	29 108.9	81.7	-	108.9	81.7
Current tax liabilities	31.8	27.4	19.9	-	-
	4,366.0	3,826.2	4,073.2	814.1	599.7
	6,572.7	5,889.5	5,789.8	1,734.7	1,688.1
	9,625.0	8,353.1	7,919.2	3,441.5	3,255.9

These financial statements have been approved for issue by the Board of Directors on 9 December 2014.

Timothy Taylor
Chairman



Paul Leech
Director & Group CEO



The explanatory notes on pages 56 to 108 form an integral part of these financial statements. Auditors' report on pages 48 and 49.

STATEMENTS OF CHANGES IN EQUITY

30 SEPTEMBER 2014

NOTES	GROUP		Share capital Rs m	Capital reserves Rs m	Revaluation reserves Rs m	Other reserves Rs m	Retained earnings Rs m	Actuarial losses Rs m	Attributable to owners of the parent			Non controlling interests Rs m	Total equity Rs m
		At 1 October 2013											
		- as previously stated	680.5	171.4	(1.0)	(2.4)	1,334.3	(5.3)	2,177.5		314.4		2,491.9
		- impact of changes in Employment Rights Act 2008	-	-	-	-	(26.4)	(1.9)	(28.3)		-		(28.3)
		- as restated	680.5	171.4	(1.0)	(2.4)	1,307.9	(7.2)	2,149.2		314.4		2,463.6
		Profit/(loss) for the year	-	-	-	-	604.3	-	604.3		(5.8)		598.5
		Other comprehensive income for the year	-	-	83.5	1.5	-	(3.4)	81.6		93.4		175.0
		Total comprehensive income for the year	-	-	83.5	1.5	604.3	(3.4)	685.9		87.6		773.5
		Dividends	-	-	-	-	(176.9)	-	(176.9)		-		(176.9)
		Transfers	-	37.6	-	-	(37.6)	-	-		-		-
		Changes in ownership interest in subsidiaries	-	-	-	-	(4.1)	-	(4.1)		(3.8)		(7.9)
		Total transactions with owners of parent	-	37.6	-	-	(218.6)	-	(181.0)		(3.8)		(184.8)
		At 30 September 2014	680.5	209.0	82.5	(0.9)	1,693.6	(10.6)	2,654.1		398.2		3,052.3

NOTES	GROUP		Share capital Rs m	Capital reserves Rs m	Revaluation reserves Rs m	Other reserves Rs m	Retained earnings Rs m	Actuarial losses Rs m	Attributable to owners of the parent			Non controlling interests Rs m	Total equity Rs m
		At 1 October 2012											
		- as previously stated	680.5	139.3	(1.0)	(3.2)	1,017.7	-	1,833.3		317.7		2,151.0
		- impact of changes in Employment Rights Act 2008	-	-	-	-	(21.6)	-	(21.6)		-		(21.6)
		- as restated	680.5	139.3	(1.0)	(3.2)	996.1	-	1,811.7		317.7		2,129.4
		Profit/(loss) for the year - restated	-	-	-	-	493.6	-	493.6		(3.3)		490.3
		Other comprehensive income - restated	-	-	-	0.8	-	(7.2)	(6.4)		-		(6.4)
		Total comprehensive income for the year	-	-	-	0.8	493.6	(7.2)	487.2		(3.3)		483.9
		Dividends	-	-	-	-	(149.7)	-	(149.7)		-		(149.7)
		Transfers	-	32.1	-	-	(32.1)	-	-		-		-
		Total transactions with owners of parent	-	32.1	-	-	(181.8)	-	(149.7)		-		(149.7)
		At 30 September 2013	680.5	171.4	(1.0)	(2.4)	1,307.9	(7.2)	2,149.2		314.4		2,463.6

The explanatory notes on pages 56 to 108 form an integral part of these financial statements.
Auditors' report on pages 48 and 49.

CIM FINANCIAL SERVICES LTD

STATEMENTS OF CHANGES IN EQUITY

30 SEPTEMBER 2014

	NOTES	Share capital Rs m	Hedging reserves Rs m	Retained earnings Rs m	Total equity Rs m
COMPANY					
At 1 October 2013		680.5	(2.8)	890.1	1,567.8
Profit for the year		-	-	316.6	316.6
Other comprehensive income	10	-	(0.7)	-	(0.7)
Dividends	29	-	-	(176.9)	(176.9)
At 30 September 2014		680.5	(3.5)	1,029.8	1,706.8
At 1 October 2012		680.5	(2.1)	709.6	1,388.0
Profit for the year		-	-	330.2	330.2
Other comprehensive income	10	-	(0.7)	-	(0.7)
Dividends	29	-	-	(149.7)	(149.7)
At 30 September 2013		680.5	(2.8)	890.1	1,567.8

The explanatory notes on pages 56 to 108 form an integral part of these financial statements.

Auditors' report on pages 48 and 49.

CIM FINANCIAL SERVICES LTD

STATEMENTS OF CASH FLOWS

YEAR ENDED 30 SEPTEMBER 2014

	NOTES	GROUP		COMPANY	
		Sep-14	Sep-13	Sep-14	Sep-13
		Rs m	Rs m	Rs m	Rs m
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash generated from/(used in) operations	31	280.7	321.4	83.1	(56.6)
Interest paid		(261.4)	(272.5)	(76.8)	(69.1)
Interest received		168.2	169.0	69.9	39.9
Income tax paid		(88.6)	(81.7)	-	-
Net cash flow generated from/(used in) operating activities		98.9	136.2	76.2	(85.8)
CASH FLOWS FROM INVESTING ACTIVITIES					
Dividends received		-	10.1	340.5	299.1
Purchase of financial assets		(308.0)	(137.5)	(300.0)	-
Proceeds from sale of financial assets		13.3	34.0	-	-
Purchase of property, plant and equipment		(189.2)	(63.4)	-	-
Proceeds from sale of property, plant and equipment		14.9	20.5	-	-
Proceeds from sale of non current assets classified as held for sale		-	115.1	-	115.1
Purchase of intangible assets		(20.2)	(20.6)	-	-
Purchase of investment properties		(0.2)	-	-	-
Loans granted		-	-	(176.6)	(462.8)
Loans recovered		-	-	120.0	159.4
Disposal of subsidiaries, net of cash disposed	32(a)	(0.2)	-	-	-
Acquisition of subsidiaries	32(b)	(3.2)	-	(3.2)	-
Disposal of associate		-	8.1	-	8.1
Net cash flow (used in)/generated from investing activities		(492.8)	(33.7)	(19.3)	118.9
CASH FLOW FROM FINANCING ACTIVITIES					
Net proceeds from/(repayments of) borrowings		633.3	506.3	(8.3)	283.1
Net funds from deposits		10.4	(306.5)	-	-
Dividends paid to shareholder of Company		(149.7)	(68.0)	(149.7)	(68.0)
Net cash generated from/(used in) financing activities		494.0	131.8	(158.0)	215.1
Net increase/(decrease) in cash and cash equivalents		100.1	234.3	(101.1)	248.2
Cash and cash equivalents - opening		274.5	40.2	251.1	2.9
Cash and cash equivalents - closing	23	374.6	274.5	150.0	251.1

The explanatory notes on pages 56 to 108 form an integral part of these financial statements.
Auditors' report on pages 48 and 49.

CIM FINANCIAL SERVICES LTD

EXPLANATORY NOTES

30 SEPTEMBER 2014

1. GENERAL INFORMATION

Cim Financial Services Ltd is a limited liability company incorporated on 15 July 2005 and domiciled in Mauritius. The principal activity of the Company is the holding of investments. As at 30 September 2014, its holding company is Cim Holdings Ltd and its registered address is Taylor Smith House, Old Quay D Road, Port Louis. The Company's place of business is at 33, Edith Cavell Street, Port-Louis. These financial statements have been prepared for the year ended 30 September 2014.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements include the consolidated financial statements of the parent company and its subsidiary companies (the "Group") and the separate financial statements of the parent company (the "Company"). The financial statements are presented in Mauritian Rupees and all values are rounded to the nearest million (Rs m), except when otherwise indicated. These policies have been consistently applied to all the years presented, unless otherwise stated and where necessary, comparative figures have been amended to conform with change in presentation in the current year.

The financial statements are prepared under the historical cost convention except that:

- land and buildings are carried at revalued amounts;
- investment properties are stated at fair value;
- investments held-for-trading and available-for-sale financial assets are stated at fair value;
- held-to-maturity financial assets are carried at amortised cost; and
- consumable biological assets are stated at fair value.

Standards, Amendments to published Standards and Interpretations effective in the reporting period

IFRS 10, "Consolidated financial statements" builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The standard is not expected to have any impact on the Group's financial statements.

IAS 27, "Separate Financial Statements" deals solely with separate financial statements. The standard has no impact on the Company's financial statements.

IFRS 11, "Joint arrangements" focuses on the rights and obligations of the parties to the arrangement rather than its legal form. There are two types of joint arrangements: joint operations and joint ventures. Joint operations arise where the investors have rights to the assets and obligations for the liabilities of an arrangement. A joint operator accounts for its share of the assets, liabilities, revenue and expenses. Joint ventures arise where the investors have rights to the net assets of the arrangement; joint ventures are accounted for under the equity method. Accounting for an interest in a joint venture using the proportionate consolidation method is not permitted under IFRS 11. The standard is not expected to have any impact on the Group's financial statements.

IAS 28, "Investments in Associates and Joint Ventures". The scope of the revised standard covers investments in joint ventures as well. IFRS 11 requires investments in joint ventures to be accounted for using the equity method of accounting. The standard has no impact on the Group's financial statements.

IFRS 12, "Disclosures of interests in other entities" includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, structured entities and other off balance sheet vehicles.

IFRS 13, "Fair value measurement", aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs.

IAS 19, "Employee benefits" was revised in June 2011. The changes on the group's accounting policies has been as follows: to immediately recognise all past service costs; and to replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset). The Group had early adopted IAS 19 (revised) Employee Benefits during financial year ended 30 September 2013.

IFRIC 20, "Stripping costs in the production phase of a surface mine", has no impact on the Group's financial statements.

Amendment to IFRS 7, "Financial instruments: Disclosures", on asset and liability offsetting. This amendment includes new disclosures and is not expected to have any impact on the Group's financial statements.

Amendment to IFRS 1 (Government Loans) has no impact on the Group's financial statements.

CIM FINANCIAL SERVICES LTD

EXPLANATORY NOTES

30 SEPTEMBER 2014

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (cont'd)

Annual Improvements to IFRSs 2009-2011 Cycle

IFRS 1 (Amendment), "First time adoption of IFRS", has no impact on the Group's operations.

IAS 1 (Amendment), "Presentation of financial statements", clarifies the disclosure requirements for comparative information when an entity provides a third balance sheet either as required by IAS 8, "Accounting policies, changes in accounting estimates and errors" or voluntarily.

IAS 16 (Amendment), "Property, plant and equipment", clarifies that spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment. The amendment does not have an impact on the Group's operations.

IAS 32 (Amendment), "Financial instruments: Presentation", clarifies the treatment of income tax relating to distributions and transaction costs. The amendment does not have an impact on the Group's operations.

IAS 34 (Amendment), "Interim financial reporting", clarifies the disclosure requirements for segment assets and liabilities in interim financial statements.

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 1 January 2014 or later periods, but which the Group has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

IAS 32 Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)

Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)

IFRIC 21: Levies

Recoverable Amount Disclosures for Non Financial Assets (Amendments to IAS 36)

Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39)

Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)

Annual Improvements to IFRSs 2010-2012 cycle

Annual Improvements to IFRSs 2011-2013 cycle

IFRS 14 Regulatory Deferral Accounts

Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)

Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)

IFRS 15 Revenue from contracts with customers

Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41)

IFRS 9 Financial Instruments

Equity Method in Separate Financial Statements (Amendments to IAS 27)

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

Annual Improvements to IFRSs 2012-2014 cycle

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.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

CIM FINANCIAL SERVICES LTD

EXPLANATORY NOTES

30 SEPTEMBER 2014

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Investments in subsidiaries*Separate financial statements of the investor*

In the separate financial statements of the investor, investments in subsidiary companies are carried at cost. The carrying amount is reduced to recognise any impairment in the value of individual investments.

Consolidated financial statements

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has right to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the 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 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 (if any) over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition 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 profit or loss as a bargain purchase gain.

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.

Disposal of subsidiaries

When the Group ceases to have control or significant influence, any retained interest in the equity is remeasured to its fair value with the change in carrying amount recognised in Profit or Loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for retained interest as an associate, joint venture or financial asset. In addition, any amount previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to Profit or Loss.

(c) Investments in associates*Separate financial statements of the investor*

In the separate financial statements of the investor, investments in associated companies are carried at cost. The carrying amount is reduced to recognise any impairment in the value of individual investments.

Consolidated financial statements

An associate is an entity over which the Group has significant influence but not control, or joint control, generally accompanying a shareholding between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method except when classified as held-for-sale. Investment in associates are initially recognised at cost as adjusted by post acquisition changes in the Group's share of the net assets of the associate less any impairment in the value of individual investments.

Any excess of the cost of acquisition and the Group's share of net fair value of the associate's identifiable assets and liabilities recognised at the date of acquisition is recognised in goodwill, which is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of identifiable assets and liabilities over the cost of acquisition, after assessment, is included as income in the determination of the Group's share of the associate's profit or loss.

CIM FINANCIAL SERVICES LTD

EXPLANATORY NOTES

30 SEPTEMBER 2014

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Investments in associates (cont'd)

Consolidated financial statements (cont'd)

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 profits and losses are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, appropriate adjustments are made to the financial statements of associates to bring the accounting policies used in line with those adopted by the Group.

If the ownership interest in an associate is reduced but significantly influence is retained, only a proportionate share of the amounts previously recognised in Other Comprehensive Income are reclassified to Profit or Loss where appropriate.

Dilution gains and losses arising in investments in associates are recognised in Profit or Loss.

(d) Investment in joint venture

Separate financial statements of the investor

In the separate financial statements of the investor, investments in joint venture are carried at cost. The carrying amount is reduced to recognise any impairment in the value of individual investments.

Consolidated financial statements

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangements. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Joint ventures are accounted for using the equity method.

(e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, stated net of discounts, returns, value added taxes, rebates and other similar allowances and after eliminating sales within the Group.

(i) Sales of goods

Sales of goods are recognised when the goods are delivered and titles have passed, at which time all of the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(ii) Rendering of services

Revenue from rendering of services is recognised in the accounting year in which the services are rendered.

(iii) Other revenues

Other revenues earned by the Group are recognised on the following bases:

- Income in respect of hire purchase and credit sales agreements is accounted for in Profit or Loss over the periods in which the instalments are receivable, using the annuity method. The unearned income in respect of future instalments, is deducted from trade receivables.
- Management fees are recognised as the services are provided.
- Brokerage and commission receivable accrues in accordance with the substance of the relevant agreements.
- Interest income is accrued on a time-proportion basis using the effective interest method.
- Dividend income accrues when the shareholders' right to receive payment is established.
- Rental income is recognised in accordance with the substance of the relevant agreement.
- Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return.
- Rental income in respect of operating leases is recognised on a straight line basis over the lease term.

CIM FINANCIAL SERVICES LTD

EXPLANATORY NOTES

30 SEPTEMBER 2014

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Inventories

Inventories are valued at lower of cost and net realisable value. Cost is determined at the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads, but excludes interest expenses. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

(g) Leases

(i) Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Profit or Loss on a straight-line basis over the period of the lease. Leases also include contracts for the hire of an asset that contain a provision giving the hirer an option to acquire title to the asset upon the fulfilment of agreed conditions.

(ii) Finance leases - lessor

Finance leases granted are accounted for in the Statement of Financial Position as investment at an amount equal to the net investment in the leases, after deduction of allowances for credit impairment for bad and doubtful debts. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return.

(iii) Operating leases - lessor

Assets leased out under operating leases are included in property, plant and equipment in the Statement of Financial Position. They are depreciated over their expected useful lives on a basis consistent with similar assets. Rental income is recognised in Profit or Loss on a straight-line basis over the lease term.

(iv) Finance leases - lessee

Property, plant and equipment obtained under finance leases are capitalised at lessee's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments and are depreciated over their useful lives. The corresponding liabilities, net of finance charges, are included as finance lease obligations. The finance charge is recognised in Profit or Loss over the lease period and calculated at a constant periodic rate of interest on the remaining balance of the liability.

(h) Foreign currencies**(i) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Mauritian rupees, which is the Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into Mauritian Rupees using exchange rates prevailing at 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 Profit or Loss, except when deferred in Other Comprehensive Income as qualifying cash flow hedges.

Non monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Non monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

Translation differences on non monetary financial assets such as equities classified as available for sale, are included in Other Comprehensive Income.

CIM FINANCIAL SERVICES LTD

EXPLANATORY NOTES

30 SEPTEMBER 2014

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Foreign currencies (cont'd)

(iii) Group companies

The results and financial position of the Group entities that have a functional currency different from Mauritian Rupee are translated into the presentation currency as follows:

- assets and liabilities for each Statement of Financial Position presented are translated at the closing rate at the reporting date;
- income and expenses for each statement representing profit or loss and other comprehensive income are translated at average exchange rates;
- all resulting exchange differences are recognised in Other Comprehensive Income.

On disposal of foreign entities, such translation differences are recognised in the Profit or Loss as part of the gain or loss.

(i) Investment properties

Investment properties held to earn rentals or for capital appreciation or both and not occupied by the Group are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at fair value representing open-market value determined regularly by external valuers. Changes in fair values are included in Profit or Loss in the period in which they arise.

Investment properties are derecognised when they are disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in Profit or Loss in the period of derecognition.

(j) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are recognised in Profit or Loss as incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Profit or Loss when the asset is derecognised.

Land and buildings held for use in the production or supply of goods or services or for administrative purposes, are stated in the Statement of Financial Position at fair value based on valuation performed regularly.

Increases in the carrying amount arising on revaluation of land and buildings are credited to Other Comprehensive Income and shown as revaluation reserves in shareholder's equity. Decreases that offset previous increases of the same amount are charged in Other Comprehensive Income and debited against revaluation reserves in equity; all other decreases are charged to Profit or Loss.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised in Profit or Loss. When revalued assets are sold, the amounts included in revaluation reserves are transferred to retained earnings.

Depreciation on property, plant and equipment are calculated on the straight-line method to write off the costs or revalued amounts of the assets to their residual values as follows:

	%
Buildings	2 - 4
Plant & equipment	15 - 100
Vehicles	15 - 25

Land is not depreciated.

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

CIM FINANCIAL SERVICES LTD

EXPLANATORY NOTES

30 SEPTEMBER 2014

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Intangible assets**(i) Goodwill**

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

Goodwill is tested annually for impairment.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gains and losses on disposal.

Goodwill is allocated to cash-generating units for the purpose of impairment testing.

(ii) Computer software

Costs that are directly associated with identifiable software which will generate economic benefits beyond one year are recognised as intangible assets and are amortised over their estimated useful lives.

Amortisation rates are as follows:

	%
Software	12 - 50

(l) Impairment of non financial 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).

(m) Deferred taxation

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for.

Deferred income tax is determined using tax rates that have been enacted or substantively enacted at the reporting date 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.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which deductible temporary differences can be utilised.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time rather than through sale.

(n) Retirement benefits**(i) State plan and defined contribution pension plans**

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Contributions to the National Pension Scheme and the Group's defined contribution pension plan are expensed to the profit or loss in the period in which they fall due.

(ii) Defined benefit pension plans and other retirement benefits

The following pension benefits are also in place:

- The Group contributes to a pension plan in respect of some employees who have a No Worse Off Guarantee (NWOG) that their benefits would not be worse than what they would have earned under a previous defined benefit plan.
- The Group recognises a net liability for employees whose benefits under the current pension plan are not expected to fully offset the retirement gratuity obligations under the Employment Rights Act 2008.
- The Group recognises a liability in respect of employees who are not members of any supplementary pension plan and are entitled to retirement gratuities under the Employment Rights Act 2008.
- The Group recognises a liability in respect of pensions paid out of cash flow for some former employees.

CIM FINANCIAL SERVICES LTD**EXPLANATORY NOTES**

30 SEPTEMBER 2014

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(n) Retirement benefits (cont'd)**

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Statement of Financial Position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

Remeasurement of the net defined benefit liability, which comprises actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), is recognised immediately in Other Comprehensive Income in the period in which they occur. Remeasurements recognised in Other Comprehensive Income shall not be reclassified to Profit or Loss in subsequent period.

The Group determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability, taking into account any changes in the net defined liability during the period as a result of contributions and benefit payments. Net interest expense is recognised in Profit or Loss.

Service costs comprising current service cost, past service cost, as well as gains and losses on curtailments and settlements are recognised immediately in Profit or Loss.

For employees who are not covered or who are insufficiently covered by the current pension plan, the net present value of gratuity on retirement payable under the Employment Rights Act 2008 (as amended) is calculated by an actuary and provided for. The obligations arising under this item are not funded.

(o) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events and when it is probable that this obligation will result in an outflow of economic benefits that can be reasonably estimated. Provisions for restructuring costs are recognised when the Group has a detailed formal plan for the restructuring which has been notified to affected parties.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

(p) Financial instruments

Financial assets and financial liabilities are recognised on the Group's Statement of Financial Position when the Group has become a party to the contractual provisions of the instrument.

(i) Investment in financial assets

The Group classifies its financial assets depending on the purpose for which the investments were acquired.

Management determines the classification of its financial assets at initial recognition.

Purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Investments are initially measured at fair value plus transaction costs for all financial assets except held-for-trading financial assets.

Held-to-maturity financial assets

Held-to-maturity investments are non derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

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. They are carried at fair value. Unrealised gains and losses arising from change in fair value are recognised in Other Comprehensive Income. On disposal of available-for-sale financial assets, the gain or loss arising from the difference between the sale proceeds and the previous carrying amount adjusted for any prior adjustment that had been reported in equity to reflect the fair value of that asset, is recognised in Profit or loss.

CIM FINANCIAL SERVICES LTD

EXPLANATORY NOTES

30 SEPTEMBER 2014

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(p) Financial instruments (cont'd)

(i) Investment in financial assets (cont'd)

Available-for-sale financial assets (cont'd)

Fair value for quoted financial assets is based on market quotation. If the market for a financial asset is not active and for unquoted financial assets, the Group establishes fair value by using recognised and acceptable valuation techniques. Financial assets are categorised according to a fair value hierarchy as follows:

Level 1 financial assets are those with unadjusted quoted prices in active markets for identical investments.

Level 2 financial assets include those with quoted prices for similar investments in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset (i.e, interest rates or yields) and inputs that are derived from or corroborated by observable market data.

Level 3 financial assets include unobservable inputs that reflect directors' assumptions about what factors market participants would use in pricing such investments. These inputs are based on the best information available including the Group's own information.

Other financial assets

All other financial assets other than those mentioned previously, including investment in subsidiaries by the Company are stated at cost net of any impairment in value. Impairment in value of the investment portfolio or any surpluses or losses arising on disposal are accounted for in Profit or Loss.

(ii) Non current 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 original effective interest rate. The amount of loss is recognised in Profit or Loss. Long-term receivables without fixed maturity terms are measured at cost.

(iii) 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 and the redemption value is recognised in Profit or Loss 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.

(iv) Trade and other 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 Company will not be able to collect all amounts due according to the original terms of receivables. The amount of provision is recognised in Profit or Loss.

(v) Trade and other payables

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

(vi) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

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EXPLANATORY NOTES

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2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(p) Financial instruments (cont'd)

(vii) Cash flow hedge

The Group documents at the inception of the transaction the relationship between hedging instrument and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the instruments that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in Other Comprehensive Income. The gain or loss relating to the ineffective portion is recognised immediately in Profit or Loss.

Amounts accumulated in equity are transferred to Profit or Loss in the periods when the hedged item affects profit or loss. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in Profit or Loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to Profit or Loss.

(viii) Impairment of financial assets

Financial assets classified as available-for-sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity investments 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 previously recognised in equity, is removed from equity and recognised in Profit or Loss. Impairment loss for the Group is recognised in Profit or Loss.

Financial assets carried at amortised cost

For receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and, the amount of the loss is recognised in Profit or loss. If a held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Profit or Loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(q) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of taxes, from proceeds. Where any group company purchases its equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. When such shares are subsequently reissued, any net consideration received is included in equity attributable to the Company's equity holders.

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EXPLANATORY NOTES

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2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(r) Segment reporting**

Segment information presented relate to operating segments that engage in business activities for which revenues are earned and expenses incurred.

(s) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are declared.

(t) Non current assets held for sale

Non current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through a continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition.

(u) Biological assets

Consumable biological assets are stated at their fair value less costs to sell and relate to livestock.

(v) Exceptional items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

(w) Impairment of leases and other credit agreements

Allowance for credit losses consists of specific and portfolio provision for credit losses and is determined based on the Group's best estimate of impairment in respect of leases and other credit agreements.

An allowance for impairment is established if there is objective evidence that the Group will not be able to collect the amount due according to the original contractual terms of the lease and other credit agreements. The amount of the provision is the difference between the carrying amount at the time the lease and other credit agreement are considered doubtful and the recoverable amount.

The provision amount also covers losses when there is objective evidence that probable losses are present in components of the lease and other credit agreements portfolio at the reporting date. They have been estimated based on the future specific losses inherent in the leases and upon historical patterns of losses in each component and the economic climate in which the clients operate. When a lease or other credit agreements are uncollectible, they are written off against the related provision for impairment; subsequent recoveries are credited to Profit or Loss.

Statutory and regulatory loss reserve requirements that exceed these amounts are dealt with in the general risk reserve as an appropriation of retained earnings.

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3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group covers to the extent possible exposures through certain hedging operations. Written principles have been established throughout the Group for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investing excess liquidity.

(a) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures primarily with respect to certain major currencies. Entities in the Group use forward contracts to hedge their exposure to foreign currency risk. Each subsidiary is responsible for hedging the net position in each currency by using currency borrowings and external forward currency contracts, under advice from the Group Treasury.

The Group also hedges the foreign currency exposure of its contract commitments to purchase certain goods and services from abroad.

Exposure in major currencies are as follows:

	Equivalent in Rs m				Equivalent in Rs m		
	GROUP				COMPANY		
	EURO	USD	MUR & others	Total	USD	MUR & others	Total
Sep-14							
Non current financial assets	127.6	37.1	2,752.6	2,917.3	-	2,697.2	2,697.2
Non current financial liabilities	(131.3)	(71.3)	(2,000.9)	(2,203.5)	(31.8)	(888.3)	(920.1)
Long-term exposure	(3.7)	(34.2)	751.7	713.8	(31.8)	1,808.9	1,777.1
Current financial assets	57.1	233.0	3,436.3	3,726.4	22.0	691.5	713.5
Current financial liabilities	(37.6)	(74.8)	(4,253.6)	(4,366.0)	(63.5)	(750.6)	(814.1)
Short-term exposure	19.5	158.2	(817.3)	(639.6)	(41.5)	(59.1)	(100.6)
Total net exposure	15.8	124.0	(65.6)	74.2	(73.3)	1,749.8	1,676.5
Sep-13 (Restated)							
Non current financial assets	1.6	1.2	2,248.4	2,251.2	-	2,508.9	2,508.9
Non current financial liabilities	(8.2)	(94.3)	(1,960.8)	(2,063.3)	(93.3)	(995.1)	(1,088.4)
Long-term exposure	(6.6)	(93.1)	287.6	187.9	(93.3)	1,513.8	1,420.5
Current financial assets	12.6	175.7	3,365.7	3,554.0	34.2	685.1	719.3
Current financial liabilities	(12.3)	(188.9)	(3,625.0)	(3,826.2)	(155.5)	(444.2)	(599.7)
Short-term exposure	0.3	(13.2)	(259.3)	(272.2)	(121.3)	240.9	119.6
Total net exposure	(6.3)	(106.3)	28.3	(84.3)	(214.6)	1,754.7	1,540.1

CIM FINANCIAL SERVICES LTD

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3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(a) Foreign exchange risk (cont'd)

The sensitivity of the net result for the year and equity in regards to the Group's financial assets and liabilities and the USD to Rupee and EURO to Rupee exchange rate is shown below.

If Rupee had weakened/strengthened by 3% and 2% against USD and EURO respectively, the financial impact would be as follows:

	GROUP		COMPANY	
	Sep-14	Sep-13	Sep-14	Sep-13
	Rs m	Rs m	Rs m	Rs m
Net result for the year (+/-)	1.1	4.1	0.6	0.9
Equity (+/-)	2.9	7.5	2.9	7.5

(b) Interest rate risk

The Group's income and operating cash flows are influenced by changing market interest rates. The Group's borrowings and lendings are contracted at fixed and variable rates.

In order to mitigate any interest rate risk, the company engaged in leasing activities has a portfolio of fixed and floating leases and deposits.

The sensitivity of the net result for the year and equity to a reasonably possible change in interest of + or - 0.5% (2013: +/-0.5%), with effect from the beginning of the year, is shown below. These changes are considered to be reasonably possible based on observations of current market conditions.

	GROUP		COMPANY	
	Sep-14	Sep-13	Sep-14	Sep-13
	Rs m	Rs m	Rs m	Rs m
Net result for the year (+/-)	15.8	12.3	7.4	7.5

(c) Credit risk

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's lease and other credit arrangements, which include hire purchase contracts, and trade and other receivables. The amounts presented in the Statement of Financial Position are net of allowances for doubtful receivables, estimated by management based on prior experience, Bank of Mauritius guidelines and the current environment. In respect of the lease and other credit arrangements, impaired facilities are individually assessed for provisioning and a portfolio provision is made based on the Bank of Mauritius guidelines.

The Group has policies in place to ensure that credit sales of products and services are made to customers after a credit assessment has been carried out and credit terms agreed (refer to note 21 for trade receivables). The Group has no significant concentration of credit risk, with exposure spread over a large number of customers. Credit facilities to customers are monitored and the Group has policies in place to identify defaults and recover amounts due. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivables.

Leases and other credit agreements

Leases and hire purchase and other credit arrangements granted are effectively secured as the rights to the leased/hired assets revert to the lessor in the event of default. There are two types of leases, finance lease and operating lease. Most of the assets financed are motor vehicles and the rest are various types of equipment. Periods of lease normally vary between 3 - 7 years and are mostly given at fixed rates.

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3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(c) Credit risk (cont'd)

Leases and other credit agreements (cont'd)

As at 30 September 2014, leases and other credit agreements, which are mainly more than 6 months overdue, of Rs 177.5m (2013: Rs 144.6m) were impaired. The amount of specific provision was Rs 128.1m (2013: Rs 100.5m). The fair value of the impaired leases is estimated at Rs 66.0m (2013: Rs 57.0m). The individually impaired receivables mainly relate to customers with a history of default.

As at 30 September 2014, leases and other credit agreements of Rs 150.6m (2013: Rs 118.9m) were past due but not impaired. The fair value of leases and other credit agreements which are past due but not impaired is estimated at least at Rs 201.5m (2013: Rs 171.0m).

The ageing of the past due but not impaired leases and other credit agreements is as follows:

	Sep-14 Rs m	Sep-13 Rs m
3 to 6 months	100.2	90.0
Over 6 months	50.4	28.9
	150.6	118.9

(d) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities from financial institutions. Due to the dynamic nature of the underlying businesses, the Group Treasury aims at maintaining flexibility in funding by keeping committed credit facilities with banks.

(e) Derivative Financial Instruments

The Group has no commitment in material derivative instruments.

(f) Sensitivity analysis-equity price risk

A 5% increase/(decrease) in the prices of relevant equities quoted on the Stock Exchange of Mauritius will have no material impact on equity (2013: nil).

3.2 Fair value estimation

The nominal value less credit adjustments of 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 cash flows at the current market interest rate that is available to the Group for similar financial instruments.

3.3 Capital risk management

The Group and the Company aim at distributing an adequate dividend whilst ensuring that sufficient resources are maintained to continue as a going concern and for expansion. The ratio of debt to equity is used to manage capital risk and is kept at a reasonable level.

	GROUP		COMPANY	
	Sep-14 Rs m	Sep-13 Rs m	Sep-14 Rs m	Sep-13 Rs m
		Restated		
Debt (note 25(a))	5,196.8	4,545.0	1,490.1	1,496.9
Less: Bank balances & cash (note 23)	(608.6)	(502.0)	(2.8)	(5.1)
	4,588.2	4,043.0	1,487.3	1,491.8
Equity	2,654.1	2,149.2	1,706.8	1,567.8
Debt/Equity ratio	1.7	1.9	0.9	1.0

There were no changes in the Group's approach to capital risk management during the year.

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4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

In applying the Group's accounting policies, the following judgements and estimates have been used with significant impacts on amounts recognised in the financial statements:

Revaluation of property, plant and equipment and investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in Profit or Loss. In addition, it measures land and buildings at revalued amounts with changes in fair value being recognised in Other Comprehensive Income. The Group engaged independent valuation specialists to determine fair value as at 30 September 2014. The valuers used depreciated replacement cost approach for buildings and the sales comparison approach for land.

The key assumptions used to determine the fair value are further explained in Notes 11 and 12.

Impairment of Goodwill

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. For acquired goodwill the value of the investment is based on a ten-year discounted cashflow method. The discount rate is estimated by management using currently available rate of interest and an estimate of the risk premium.

Pension Benefits

The present value of the pension obligations depends 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.

Other key assumptions for pension obligation are based in part on current market conditions. Additional information is disclosed in Note 27.

Fair value estimation

In assessing the fair value of financial instruments, the Group uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting date. The face value less any estimated credit adjustments for financial assets and financial liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair values of those assets and liabilities not presented in the Group's and the Company's Statements of Financial Position at their fair values are not materially different from their carrying amounts.

Fair value of securities not quoted in active market

The fair value of securities not quoted in active market is determined by using valuation techniques including third party transaction values, earnings, net asset value or discounted cash flows, whichever is appropriate.

Provisions for credit losses

The Group makes a provision against its portfolio of leases, hire purchase, credit cards and factoring. The Group follows the guidance under International Financial Reporting Standards and the Bank of Mauritius Guidelines in order to determine its best estimate of the provision required. In making this estimate, the Group looks, among other factors, at future specific losses inherent in the facilities, historical patterns of losses and the economic climate in which clients operate.

Asset lives and residual values

Property, plant and equipment are depreciated over its useful life taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

Depreciation policies

Property, plant and equipment are depreciated to their residual values over their estimated useful lives. The residual value of an asset is the estimated net amount that the Group would currently obtain from disposal of the asset, if the asset were already of the age and in condition expected at the end of its useful life.

CIM FINANCIAL SERVICES LTD

EXPLANATORY NOTES

30 SEPTEMBER 2014

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

Limitations of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration that the Group's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Group's view of possible near-term market changes that cannot be predicted with any certainty.

Deferred tax on investment properties

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties, the directors reviewed the Group's investment property portfolio and concluded that the investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. Therefore, the Group has recognised deferred tax on changes in fair value of investment properties.

Fair value estimation

A number of assets and liabilities included in the Group's financial statements are measured at fair value and utilise market observable inputs and data. Inputs used in determining fair value are categorised into:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Observable inputs other than quoted prices included within level 1.

Level 3: Unobservable inputs that are not derived from market data.

In assessing the fair value of financial instruments in level 3, the Group uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting date. The carrying value less any estimated credit adjustments for financial assets and financial liabilities within a maturity of less than one year are assumed to approximate their fair values. The fair values of those assets and liabilities not presented in the Group's Statements of Financial Position at their fair values are not materially different from their carrying amounts.

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5. REVENUE

Revenue is made up of

Sales of goods
Sales of services

Commission
Rent
Earned income
Other income

Investment income - Unquoted
Interest income

GROUP		COMPANY	
Sep-14 Rs m	Sep-13 Rs m	Sep-14 Rs m	Sep-13 Rs m
1,682.9	1,454.9	-	-
635.2	648.4	-	-
2,318.1	2,103.3	-	-
108.9	98.8	-	-
40.8	44.4	-	-
557.2	550.0	-	-
308.5	280.5	-	-
1,015.4	973.7	-	-
-	-	337.5	302.1
168.2	169.0	68.8	41.9
168.2	169.0	406.3	344.0
3,501.7	3,246.0	406.3	344.0

6. PROFIT FROM OPERATIONS

Revenue (note 5)
Other income - not part of revenue

Cost of sales
Employee benefit expense:
Wages, salaries and related expenses
Pension and other retirement benefit costs
Depreciation and amortisation
Foreign exchange differences
Other expenses and services

GROUP		COMPANY	
Sep-14 Rs m	Sep-13 Rs m Restated	Sep-14 Rs m	Sep-13 Rs m
3,501.7	3,246.0	406.3	344.0
2.3	3.1	1.0	1.1
3,504.0	3,249.1	407.3	345.1
(1,406.9)	(1,221.9)	-	-
(627.6)	(611.1)	(5.5)	(7.2)
(35.5)	(27.5)	-	-
(110.1)	(119.4)	-	-
27.0	16.5	2.0	1.6
(533.6)	(550.4)	(9.1)	(9.8)
817.3	735.3	394.7	329.7

7. FINANCE COSTS

The finance cost is on:

Bank overdrafts
Bank loans and other loans repayable by instalments
Within one year
After one year and before two years
After two years and before five years
Bank loans and other loans not repayable by instalments
Within one year
After one year and before two years
After two years and before five years

GROUP		COMPANY	
Sep-14 Rs m	Sep-13 Rs m	Sep-14 Rs m	Sep-13 Rs m
2.2	3.9	-	0.1
6.5	7.8	1.2	3.2
2.0	-	2.0	-
20.6	30.8	20.6	30.8
188.5	217.2	15.3	20.3
-	-	-	-
41.6	12.8	41.6	12.8
261.4	272.5	80.7	67.2

8. PROFIT ON DISPOSAL OF FINANCIAL ASSETS

Profit on disposal of held for sale assets (see note below)
Profit on disposal of associates

GROUP	COMPANY
Sep-13 Rs m	Sep-13 Rs m
95.5	95.5
0.4	2.3
95.9	97.8

In October 2012, the Company disposed of its shareholding in Mediterranean Shipping Company (Mauritius) Ltd (MSC). The stake in MSC was purchased by Taylor Smith Investment Ltd, a related company, for a consideration of Rs 115.1m generating a profit of Rs 95.5m.

CIM FINANCIAL SERVICES LTD**EXPLANATORY NOTES**

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9. TAXATION

Provision on the profit for the year at 15% (2013:15%)
 Under provision
 Movement in deferred taxation (note 26)

GROUP		COMPANY	
Sep-14 Rs m	Sep-13 Rs m Restated	Sep-14 Rs m	Sep-13 Rs m
93.0	88.9	-	-
-	0.3	-	-
3.7	(2.7)	0.5	-
96.7	86.5	0.5	-

The effective tax rate differs from that determined by applying the statutory income tax rate to profit before impairment of investment. This is due primarily to different tax rates, non deductible expenses and tax exempt income.

Reconciliation of effective tax rate is as follows:

Tax rate applicable
 Non deductible expenses
 Tax-exempt income
 Effective tax rate

GROUP		COMPANY	
Sep-14 %	Sep-13 % Restated	Sep-14 %	Sep-13 %
15.0	15.0	15.0	15.0
1.7	2.5	1.4	3.3
(2.7)	(2.5)	(16.2)	(18.3)
14.0	15.0	0.2	-

10. OTHER COMPREHENSIVE INCOME**GROUP****Year ended 30 September 2014**

Items that will not be , to Profit or Loss:

Gains on revaluation of land and buildings (note 11)
 Deferred tax on gains on revaluation of buildings
 Remeasurement of defined benefit obligations (note 27)
 Deferred tax on remeasurement of defined benefit obligations

Items that may be reclassified subsequently to Profit or Loss:

Exchange difference on translation of foreign entities
 Cash flow hedges (note 25(d))
 Losses arising during the year
 Reclassification adjustment in Profit or Loss

Other comprehensive income for the year, net of tax**Year ended 30 September 2013**

Items that will not be reclassified to Profit or Loss:

Remeasurement of defined benefit obligations (note 27)
 Deferred tax on remeasurement of defined benefit obligations

Items that may be reclassified subsequently to Profit or Loss:

Exchange difference on translation of foreign entities
 Movement in reserves of associates
 Cash flow hedges (note 25(d))
 Losses arising during the year
 Reclassification adjustment in Profit or Loss

Other comprehensive income for the year, net of tax

Revaluation Surplus Rs m	Hedging Reserve Rs m	Translation Reserve Rs m	Actuarial gains/ (losses) Rs m Restated	Total Rs m Restated
177.3	-	-	-	177.3
(0.4)	-	-	-	(0.4)
-	-	-	(3.6)	(3.6)
-	-	-	0.2	0.2
-	-	2.2	-	2.2
-	-	-	-	-
-	(1.5)	-	-	(1.5)
-	0.8	-	-	0.8
176.9	(0.7)	2.2	(3.4)	175.0
-	-	-	(13.1)	(13.1)
-	-	-	5.9	5.9
-	-	1.6	-	1.6
-	-	(0.1)	-	(0.1)
-	-	-	-	-
-	(2.7)	-	-	(2.7)
-	2.0	-	-	2.0
-	(0.7)	1.5	(7.2)	(6.4)

CIM FINANCIAL SERVICES LTD

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30 SEPTEMBER 2014

10. OTHER COMPREHENSIVE INCOME (CONT'D)
COMPANYHedging
Reserve
Rs m

Year ended 30 September 2014

Items that may be reclassified subsequently to Profit or Loss:

Cash flow hedges (note 25(d))

Losses arising during the year

(1.5)

Reclassification adjustment in Profit or Loss

0.8

(0.7)

Year ended 30 September 2013

Items that may be reclassified subsequently to Profit or Loss:

Cash flow hedges (note 25(d))

Losses arising during the year

(2.7)

Reclassification adjustment in Profit or Loss

2.0

(0.7)**Revaluation surplus**

The revaluation arises on the revaluation of property, plant and equipment.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Translation reserves

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements.

Actuarial gains/(losses)

The actuarial gains/(losses) reserve represents the cumulative remeasurement of defined benefit obligation recognised.

CIM FINANCIAL SERVICES LTD**EXPLANATORY NOTES**

30 SEPTEMBER 2014

11. PROPERTY, PLANT AND EQUIPMENT**(a) GROUP****Cost or Valuation**

	Land and Buildings Rs m	Plant and Equipment Rs m	Vehicles Rs m	Total Rs m
At 1 October 2012	901.2	379.9	270.8	1,551.9
Additions	3.0	26.6	33.8	63.4
Scrapped assets	-	(9.4)	-	(9.4)
Transfer (note 12)	2.7	-	-	2.7
Disposals	-	(17.0)	(67.0)	(84.0)
At 30 September 2013	906.9	380.1	237.6	1,524.6
Additions	6.5	136.2	46.5	189.2
Scrapped assets	-	(21.6)	-	(21.6)
Transfer (note 12)	32.8	3.0	-	35.8
Disposals	-	(56.5)	(28.1)	(84.6)
Revaluation surplus (note 10)	169.1	-	-	169.1
At 30 September 2014	1,115.3	441.2	256.0	1,812.5

Depreciation and impairment

At 1 October 2012	0.9	282.0	111.4	394.3
Charge for the year	3.5	46.4	40.2	90.1
Scrapped assets	-	(9.4)	-	(9.4)
Disposal adjustment	-	(17.0)	(48.5)	(65.5)
At 30 September 2013	4.4	302.0	103.1	409.5
Charge for the year	3.8	41.5	35.4	80.7
Scrapped assets	-	(21.3)	-	(21.3)
Disposal adjustment	-	(50.9)	(21.2)	(72.1)
Adjustment on revaluation (note 10)	(8.2)	-	-	(8.2)
At 30 September 2014	-	271.3	117.3	388.6

Carrying value

At 30 September 2014	1,115.3	169.9	138.7	1,423.9
At 30 September 2013	902.5	78.1	134.5	1,115.1

Bank borrowings of some subsidiaries are secured by floating charges on their respective assets.

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11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (b) The Group's land and buildings were last revalued at 30 September 2014 by independent valuers, Broll Indian Ocean Limited and Noor Dilmohamed and Associates. The revaluation surplus net of applicable deferred income taxes was credited to revaluation surplus in shareholders' equity (note 10).

Details of the Group's land and buildings measured at fair value and information about the fair value hierarchy as at 30 September 2014 are as follows:

	Level 3 Rs m
Land	944.3
Buildings	171.0
	1,115.3

The fair value of land was derived using the Sales Comparison Approach. Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size, access, topography and other stringent adverse physical conditions. The fair value of the buildings was determined using the depreciated replacement cost approach. The most significant input into these valuation approaches are price per square metre.

Significant unobservable valuation input:**Range**

Land - Price per Square Metre

Rs 30 - Rs 55,000

Buildings - Price per Square Metre

Rs 8,000 - Rs 70,000

Significant increases/(decreases) in estimated price per square metre in isolation would result in a significantly higher/(lower) fair value.

(c) Land & Buildings

Freehold land & buildings

On the cost basis, these properties would have been as follows:

Cost

Accumulated Depreciation

Net book value

GROUP	
Sep-14 Rs m	Sep-13 Rs m
1,115.3	902.5
946.2	906.9
(8.2)	(4.4)
938.0	902.5
5.9	6.1
11.4	11.5
17.3	17.6
5.6	5.6
6.1	6.4
11.7	12.0
0.3	0.5
5.3	5.1
5.6	5.6

(d) Leased assets**Cost**

Plant and equipment

Motor vehicles

Accumulated depreciation

Plant and equipment

Motor vehicles

Carrying value

Plant and equipment

Motor vehicles

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12. INVESTMENT PROPERTIES

	GROUP		COMPANY	
	Sep-14 Rs m	Sep-13 Rs m	Sep-14 Rs m	Sep-13 Rs m
At 1 October	477.5	480.2	27.7	-
Additions	0.2	-	-	-
Transfer (note 11)	(35.8)	(2.7)	-	27.7
Revaluation surplus	114.2	-	3.1	-
At 30 September	556.1	477.5	30.8	27.7

Bank borrowings of some subsidiaries are secured by floating charges on their respective assets.

(a) The Group's and Company's investment properties have been revalued at their fair value on 30 September 2014 by Broll Indian Ocean Limited, an independent chartered valuer. The different valuation methods used are:

- (i) sales comparison approach for land;
- (ii) depreciated replacement cost approach for buildings.

Details of the Group's and Company's investment properties, which are classified as level 3 on the fair value hierarchy as at 30 September 2014 are as follows:

	Group Rs m	Company Rs m
Land	323.0	-
Buildings	233.1	30.8
	556.1	30.8

Significant unobservable valuation input:

	Range
Land - Price per Square Metre	Rs 2,000 - Rs 55,000
Buildings - Price per Square Metre	Rs 8,000 - Rs 70,000

Significant increases/(decreases) in estimated price per square metre in isolation would result in a significantly higher/(lower) fair value.

The following have been recognised in Profit or Loss:

	GROUP		COMPANY	
	Sep-14 Rs m	Sep-13 Rs m	Sep-14 Rs m	Sep-13 Rs m
Rental income	40.8	44.4	-	-
Direct operating expenses arising from investment properties that generate rental income	11.1	18.0	-	-
Direct operating expenses that did not generate rental income	9.5	6.0	-	-

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13. INTANGIBLE ASSETS

GROUP	Goodwill on acquisition Rs m	Software Rs m	Total Rs m
Cost			
At 1 October 2012	1,094.0	193.8	1,287.8
Additions	-	20.6	20.6
At 30 September 2013	1,094.0	214.4	1,308.4
Additions	-	20.2	20.2
At 30 September 2014	1,094.0	234.6	1,328.6
Amortisation/Impairment			
At 1 October 2012	500.7	107.6	608.3
Charge for the year	-	29.3	29.3
At 30 September 2013	500.7	136.9	637.6
Charge for the year	-	29.4	29.4
At 30 September 2014	500.7	166.3	667.0
Carrying value			
At 30 September 2014	593.3	68.3	661.6
At 30 September 2013	593.3	77.5	670.8

At the end of the reporting period, the Group assessed the recoverable amount of goodwill and determined that there is no further impairment of goodwill. The recoverable amount was arrived at based on a forecasted cash flow, a risk free rate of 6.5% (2013: 6.5%), a risk premium of 6.5% (2013: 6.5%) and took into consideration the market and economic conditions.

14. INVESTMENT IN SUBSIDIARY COMPANIES

	COMPANY	
(a)	Sep-14 Rs m	Sep-13 Rs m
At 1 October	1,823.0	1,339.0
Additions	8.3	519.9
Impairment	-	(35.9)
At 30 September	1,831.3	1,823.0

Additions in 2014 made through non-cash transactions amounted to Rs 5.1m.

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14. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

(b) The financial statements of the following subsidiaries have been included in the consolidated financial statements.

The reporting date used for consolidation purposes is 30 September 2014.

		Cim Financial Services Ltd			Proportion of ownership interests held by non controlling interest % Holding (effective)			
	Class of shares held	Nominal value of investment Rs 000	% Holding	Other Group Companies % Holding			Issued Capital Rs 000	Principal activity
Global Management								
Cim Fund Services Ltd	Ordinary	500	100.0	-	-		500	Global business services
Cim Global Business Holding Ltd	Ordinary	1	100.0	-	-		1	Investment holding
Cim Global Business Singapore Pte Ltd	Ordinary	-	-	100.0	-		12,274	Global business services
Cim Global Business Ltd (note(i))	Ordinary	1	100.0	-	-		1	Management and consultancy services
Cim Investment Advisors Ltd	Ordinary	541	100.0	-	-		996	Global business services
Cim Tax Services Ltd	Ordinary	1	100.0	-	-		1	Global business services
Cim Trustees (Mauritius) Limited	Ordinary	10,896	100.0	-	-		9,893	Global business services
IMM Trustees Ltd	Ordinary	-	-	100.0	-		500	Global business services
Cim Corporate Services Ltd (note(ii))	Ordinary	641,232	100.0	-	-		14,876	Global business services
Minimax Limited	Ordinary	-	-	100.0	-		-	Nominee companies
Orchid Nominees Ltd	Ordinary	-	-	100.0	-		-	Nominee companies
Tiger Nominees Ltd	Ordinary	-	-	100.0	-		-	Nominee companies
Fieldhall Ltd	Ordinary	-	-	100.0	-		-	Nominee companies
Hammerfield Nominees Ltd	Ordinary	-	-	100.0	-		-	Nominee companies
White Fin Nominees Ltd	Ordinary	-	-	100.0	-		-	Nominee companies
Conqueror Ltd	Ordinary	-	-	100.0	-		-	Nominee companies
Chronos Ltd	Ordinary	-	-	100.0	-		-	Nominee companies
Cosign Limited	Ordinary	-	-	100.0	-		-	Nominee companies
Isla Ltd	Ordinary	-	-	100.0	-		-	Nominee companies
CFUS Nominee Ltd	Ordinary	-	-	100.0	-		-	Nominee companies
Key Financial Services Ltd	Ordinary	-	-	100.0	-		300	Global business services
Multiconsult Trustees Ltd	Ordinary	-	-	100.0	-		500	Global business services
The Oceanic Trust Co. Ltd	Ordinary	-	-	100.0	-		316	Global business services

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14. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

		Cim Financial Services Ltd		Other Group Companies % Holding	Proportion of ownership interests held by non controlling interest % Holding (effective)	Issued Capital	Principal activity
	Class of shares held	Nominal value of investment	% Holding				
Investments							
The BrandHouse Ltd (note(iv))	Ordinary	77,347	100.0	-	-	76,500	Trading
Waterfalls International Ltd	Ordinary	-	-	100.0	-	25	Trading
Cim Global Reinsurance Company Ltd (note(v))	Ordinary	79,551	100.0	-	-	76,862	Reinsurance
Cim Captive Reinsurance Company PCC (note(v))	Ordinary	12,929	100.0	-	-	11,385	Reinsurance
Finance							
Cim Finance Ltd	Ordinary	181,838	100.0	-	-	285,000	Credit card business, factoring, consumer credit, leasing & deposit taking
Cim Finance (Seychelles) Ltd (note(iii))	Ordinary	-	-	100.0	-	-	Dormant
Cim Forex Ltd	Ordinary	20,000	100.0	-	-	27,000	Forex dealer
Cim Agencies Ltd	Ordinary	500	100.0	-	-	100	Insurance agency
Property							
Cim Property Development Ltd	Ordinary	519,466	100.0	-	-	519,466	Property
Cim Property Holdings Limited	Ordinary	-	-	100.0	-	450,000	Property
South West Safari Group Ltd (note(vi))	Ordinary	3,501	1.3	52.3	63.7	268,032	Property
CSBO 2 Ltd (note(vi))	Ordinary	535	1.2	52.3	63.8	43,790	Property
Le Morne Development Corp Ltd	Ordinary	89,012	31.0	49.0	40.0	25	Property
San Paolo Ltd	Ordinary	83,258	59.2	-	40.8	5,022	Property
SWTD Bis Ltd	Ordinary	109,073	66.8	-	33.2	163,350	Property
Others							
Cim Learning Centre Ltd	Ordinary	1,000	100.0	-	-	1,000	Learning and development
Cim Management Services Ltd	Ordinary	100	100.0	-	-	100	Management services
Cim Administrators Ltd	Ordinary	25	100.0	-	-	25	Global business services
Cim Fiduciary Administration Services Ltd (note(iii))	Ordinary	-	-	51.0	-	1	Trust administration

Note (i) Formerly known as Cim Global Management Services Ltd.

Note (ii) International Management (Mauritius) Ltd and Multiconsult Ltd have amalgamated and the amalgamated company is now known as Cim Corporate Services Ltd.

Note (iii) These companies were incorporated during the year.

Note (iv) J. M. Goupille & Co. Ltd and Waterfalls Marketing Ltd have amalgamated and the amalgamated company is now known as The BrandHouse Ltd.

Note (v) Percentage holdings as at 30 September 2013 for Cim Global Reinsurance Company Ltd and Cim Captive Reinsurance Company PCC were 96.7% and 90.0% respectively

Note (vi) Although the Group does not own more than one half of the voting power of South West Safari Group Ltd (formerly known as Case Noyale Bis Limitée) and CSBO 2 Ltd, the latter have been consolidated as subsidiaries since the Company controls them through board representation.

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14. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

(c) The above subsidiaries are incorporated and operate in Mauritius except for:

	<i>Country of incorporation</i>
Cim Global Business Singapore Pte Ltd	Republic of Singapore
Cim Finance (Seychelles) Ltd	Republic of Seychelles

(d) Subsidiaries with non controlling interests

Details for subsidiaries that have non controlling interests:

Name	Loss allocated to non controlling interests during the year Rs m	Accumulated non controlling interests at 30 September Rs m
2014		
Cim Captive Reinsurance Company PCC	(0.3)	-
South West Safari Group Ltd	(4.4)	254.1
CSBO 2 Ltd	(0.1)	31.1
Le Morne Development Corp Ltd	(1.0)	112.7
San Paolo Ltd	-	0.3
2013		
Cim Global Reinsurance Company Ltd	-	2.7
Cim Captive Reinsurance Company PCC	-	1.4
South West Safari Group Ltd	(2.4)	168.4
CSBO 2 Ltd	(0.1)	27.9
Le Morne Development Corp Ltd	(0.8)	113.7
San Paolo Ltd	-	0.3

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14. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

(e) Summarised financial information on subsidiaries with non controlling interests

- (i) Summarised Statements of Financial Position, Statements of Profit or Loss and Statements of Profit or Loss and Other Comprehensive income

Name	Current assets Rs m	Non current assets Rs m	Current liabilities Rs m	Non current liabilities Rs m	Revenue Rs m	Profit/ (loss) Rs m	Other compre- hensive income Rs m	Total compre- hensive income Rs m
2014								
Cim Global Reinsurance Company Ltd	-	-	-	-	3.2	(0.6)	1.7	1.1
Cim Captive Reinsurance Company PCC	-	-	-	-	0.8	(2.7)	0.2	(2.5)
South West Safari Group Ltd	5.2	417.1	23.5	-	0.2	(6.9)	141.3	134.4
CSBO 2 Ltd	-	50.4	1.7	-	-	(0.2)	5.2	5.0
Le Morne Development Corp Ltd	13.4	299.1	2.2	28.3	-	(2.4)	-	(2.4)
San Paolo Ltd	0.1	0.6	0.1	-	-	(0.1)	-	(0.1)
SWTD Bis Ltd	0.1	-	0.1	-	-	-	-	-
2013								
Cim Global Reinsurance Company Ltd	86.9	-	7.2	-	3.1	0.6	1.1	1.7
Cim Captive Reinsurance Company PCC	15.7	-	1.7	-	1.3	(0.4)	0.2	(0.2)
South West Safari Group Ltd	3.1	269.3	7.9	-	1.0	(3.8)	-	(3.8)
CSBO 2 Ltd	-	43.8	0.1	-	-	(0.1)	-	(0.1)
Le Morne Development Corp Ltd	11.9	299.1	9.4	17.3	1.5	(1.9)	-	(1.9)
San Paolo Ltd	0.1	0.6	-	-	-	(0.1)	-	(0.1)
SWTD Bis Ltd	0.1	-	-	-	-	-	-	-

During the year, the Group bought additional shares in Cim Global Reinsurance Company Ltd and Cim Captive Reinsurance Company PCC so that it owned 100% of the shareholding as at 30 September 2014.

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14. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

(e) Summarised financial information on subsidiaries with non controlling interests (cont'd)

(ii) Summarised cash flow information:

Name	Operating activities Rs m	Investing activities Rs m	Financing activities Rs m	Net increase/ (decrease) in cash and cash equivalents Rs m
2014				
Cim Global Reinsurance Company Ltd	(2.1)	57.8	-	55.7
Cim Captive Reinsurance Company PCC	1.4	-	-	1.4
South West Safari Group Ltd	(14.0)	(7.9)	22.3	0.4
CSBO 2 Ltd	1.4	(1.4)	-	-
Le Morne Development Corp Ltd	(10.2)	-	11.1	0.9
2013				
Cim Global Reinsurance Company Ltd	(58.7)	-	-	(58.7)
Cim Captive Reinsurance Company PCC	(7.3)	-	-	(7.3)
South West Safari Group Ltd	1.0	(0.3)	-	0.7
San Paolo Ltd	(0.1)	-	-	(0.1)
SWTD Bis Ltd	(0.1)	-	-	(0.1)

The summarised financial information above is the amount before intra-group eliminations.

15. INVESTMENT IN ASSOCIATES

	Sep-14 Rs m	Sep-13 Rs m
GROUP		
(a) At 1 October	23.4	121.9
Disposal	-	(103.2)
Share of results	3.1	14.9
Reserve movements	-	(0.1)
Dividends	-	(10.1)
At 30 September	26.5	23.4

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15. INVESTMENT IN ASSOCIATES (CONT'D)

GROUP (CONT'D)

(a) Made up as follows:

Net assets

Sep-14 Rs m	Sep-13 Rs m
26.5	23.4

(b) Details of the associates at the end of the reporting year are as follows:

Name of company	Reporting period	Principal activity	Principal place of business	Country of incorporation	% Holding
Unquoted 2014 & 2013					
Li & Fung (Mauritius) Ltd	31 December	Buying agent	Mauritius	Mauritius	40%
Dodwell (Mauritius) Ltd	31 December	Buying agent	Mauritius	Hong Kong	40%

(i) All of the above associates are accounted for using the equity method.

(ii) Management accounts have been prepared at 30 September 2014 for the purpose of applying the equity method.

(c) Summarised financial information in respect of the Group's associated companies is set out below:

Name	Current assets Rs m	Non current assets Rs m	Current liabilities Rs m	Non current liabilities Rs m	Revenue Rs m	Profit for the year Rs m	Other comprehensive income for the year Rs m	Total comprehensive income for the year Rs m	Dividend received during the year Rs m
2014									
Li & Fung (Mauritius) Ltd - Group **	67.2	0.1	0.9	-	8.8	7.8	-	7.8	-
2013									
Li & Fung (Mauritius) Ltd - Group	60.2	0.1	1.7	-	8.9	10.0	0.5	10.5	-
Savignac (Pty) Ltd (34.5%) *	-	-	-	-	93.9	2.3	(4.3)	(2.0)	-
Lafarge (Mauritius) Cement Ltd (29.0%) *	-	-	-	-	1,086.8	35.0	3.7	38.7	10.1

* Savignac (Pty) Ltd and Lafarge (Mauritius) Cement Ltd were disposed on 30 June 2013.

** Figures include Li & Fung Ltd and Dodwell Ltd.

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15. INVESTMENT IN ASSOCIATES (CONT'D)

(d) Reconciliation of summarised financial information

Reconciliation of the above summarised financial information to the carrying amount recognised in the financial statements:

Name	Opening net assets 1 October Rs m	Profit for the year Rs m	Other compre- hensive income for the year Rs m	Closing net assets 30 September Rs m	Ownership interest Rs m	Interest in associates Rs m
2014						
Li & Fung (Mauritius) Ltd - Group	58.6	7.8	-	66.4	40.0%	26.5
2013						
Li & Fung (Mauritius) Ltd - Group	48.0	10.0	0.6	58.6	40.0%	23.4

COMPANY

At 1 October

Disposal

At 30 September

Proceeds on disposal

Sep-14 Rs m	Sep-13 Rs m
16.2	117.5
-	(101.3)
16.2	16.2
-	103.6

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16. INVESTMENT IN JOINT VENTURE

GROUP

At 1 October
Share of result
Dividends
At 30 September
Made up as follows:
Net assets

Sep-14 Rs m	Sep-13 Rs m
69.7	69.5
22.0	3.2
-	(3.0)
91.7	69.7
91.7	69.7

(a)

Name of company	Reporting period	Percentage holding	Principal activity	Principal place of business	Country of incorporation
Unquoted 2014 & 2013 Edith Cavell Properties Ltd	30 Sept	50.0%	Property	Mauritius	Mauritius

Edith Cavell Properties Ltd is a private company and there is no quoted market price available for its shares.

The above joint venture is accounted for using the equity method.

(b) Summarised financial information in respect of the joint venture is set out below:

Name	Current assets Rs m	Non current assets Rs m	Current liabilities Rs m	Revenue Rs m	Profit for the year Rs m	Total comprehensive income for the year Rs m	Dividend received during the year Rs m
2014 Edith Cavell Properties Ltd	8.7	176.4	1.8	9.9	44.1	44.1	-
2013 Edith Cavell Properties Ltd	8.1	138.9	7.6	9.6	6.4	6.4	3.0

Profit for the year includes fair value gain on investment properties amounting to Rs 37.6m net of deferred income tax (2013: nil)

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16. INVESTMENT IN JOINT VENTURE (CONT'D)

The above amounts of assets and liabilities include the following:

- Cash and cash equivalent: Rs 2.7m (2013: Rs 1.8m).
- Current financial liabilities (excluding trade and other payables and provision) - Rs 1.2m (2013: Rs 1.1m).

The above profit for the year includes the following:

- Interest income: Rs 0.1m (2013: Rs 0.1m).
- Income tax expense: Rs 1.1m (2013: Rs 1.1m).

(c) Reconciliation of summarised financial information

Reconciliation of the above summarised financial to the carrying amount recognised in the financial statements:

Name	Opening net assets 1 October Rs m	Profit for the year Rs m	Dividend Rs m	Closing net assets 30 September Rs m	Ownership interest Rs m	Interest in joint venture Rs m
2014						
Edith Cavell Properties Ltd	139.4	44.1	-	183.5	50.0%	91.7
2013						
Edith Cavell Properties Ltd	139.0	6.4	(6.0)	139.4	50.0%	69.7

(d) Classification of Edith Cavell Properties Ltd as a joint venture

Edith Cavell Properties Ltd is a limited liability company whose legal form confers separation between the parties to the joint arrangement and the Company itself. Furthermore, there is no contractual arrangement or any other facts and circumstances that indicate that the parties to the joint arrangement have rights to the assets and obligations for the liabilities of the joint arrangement. Accordingly, Edith Cavell Properties Ltd is classified as a joint venture.

(e) COMPANY

	Sep-13
At 1 October	Rs m
Disposals	69.5
At 30 September	(69.5)
	-

The disposals in 2013 relate to non-cash transactions

(f) There are no commitments or contingent liabilities relating to the Group's interest in the joint venture.

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17. INVESTMENT IN FINANCIAL ASSETS

GROUP

(i) Non current

Available-for-sale investments

At 1 October

Additions

At 30 September

Level 1 Rs m	Sep-14 Level 3 Rs m	Total Rs m	Sep-13 Total Rs m
0.5	9.7	10.2	10.2
-	300.0	300.0	-
0.5	309.7	310.2	10.2

Held-to-maturity investments

At 1 October

Additions

Transfer

At 30 September

Sep-14 Rs m	Sep-13 Rs m
-	8.0
8.0	-
-	(8.0)
8.0	-

Deposit with banks

At 1 October

New deposits

At 30 September

Sep-14 Rs m	Sep-13 Rs m
435.0	305.0
-	130.0
435.0	435.0
753.2	445.2

(ii) Current

Held-to-maturity investments

At 1 October

Additions

Disposals

Transfer

At 30 September

Sep-14 Rs m	Sep-13 Rs m
13.3	1.1
-	7.5
(13.3)	(3.3)
-	8.0
-	13.3

Deposit with banks

At 1 October

Withdrawals

At 30 September

Sep-14 Rs m	Sep-13 Rs m
-	30.7
-	(30.7)
-	-
-	13.3

COMPANY

Non current

Available-for-sale investments

Unquoted

At 1 October

Additions

At 30 September

Level 3 Rs m	Sep-14 Total Rs m	Sep-13 Total Rs m
9.7	9.7	9.7
300.0	300.0	-
309.7	309.7	9.7

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18. NON CURRENT RECEIVABLES

(a) Receivable from

Subsidiary companies
Others

(b) Repayable by instalments

After one year and before two years
After two years and before five years
After five years

GROUP		COMPANY	
Sep-14 Rs m	Sep-13 Rs m	Sep-14 Rs m	Sep-13 Rs m
-	-	540.0	660.0
81.8	90.8	-	-
81.8	90.8	540.0	660.0
37.7	47.3	150.0	120.0
43.9	42.5	390.0	540.0
0.2	1.0	-	-
81.8	90.8	540.0	660.0

The carrying amount of non current receivables approximates their fair values and are unsecured.

The effect of reclassification in prior years is disclosed in note 36.

19. NET INVESTMENT IN LEASES AND OTHER CREDIT AGREEMENTS

Sep-14**Gross investment**

Within one year
After one year and before five years
After five years

Unearned future finance income

Less provision for credit impairment

Portfolio provision
Specific provision

Analysed as follows:

Non current assets
Current assets

Remaining term to maturity

Within one year
After one year and before five years
After five years

Provision for credit impairment

Portfolio provision
At 1 October
Provision for credit impairment
At 30 September
Specific Provision
At 1 October
Provision for credit impairment
At 30 September

GROUP		
Finance leases Rs m	Other credit agreements Rs m	Total Rs m
714.6	1,785.9	2,500.5
1,443.9	695.3	2,139.2
56.2	-	56.2
2,214.7	2,481.2	4,695.9
(307.1)	(312.7)	(619.8)
1,907.6	2,168.5	4,076.1
(18.3)	(23.2)	(41.5)
(34.7)	(93.4)	(128.1)
1,854.6	2,051.9	3,906.5
1,321.9	632.6	1,954.5
532.7	1,419.3	1,952.0
1,854.6	2,051.9	3,906.5
585.8	1,535.8	2,121.6
1,268.6	632.7	1,901.3
53.2	-	53.2
1,907.6	2,168.5	4,076.1
21.3	29.7	51.0
(3.0)	(6.5)	(9.5)
18.3	23.2	41.5
34.3	66.2	100.5
0.4	27.2	27.6
34.7	93.4	128.1

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19. NET INVESTMENT IN LEASES AND OTHER CREDIT AGREEMENTS (CONTD)

	GROUP		
	Finance leases	Other credit agreements	Total
	Rs m	Rs m	Rs m
Sep-13			
Gross investment			
Within one year	629.6	1,604.2	2,233.8
After one year and before five years	1,161.8	659.6	1,821.4
After five years	76.5	-	76.5
	1,867.9	2,263.8	4,131.7
Unearned future finance income	(293.7)	(306.8)	(600.5)
	1,574.2	1,957.0	3,531.2
Less provision for credit impairment			
Portfolio provision	(21.3)	(29.7)	(51.0)
Specific provision	(34.3)	(66.2)	(100.5)
	1,518.6	1,861.1	3,379.7
Analysed as follows:			
Non current assets	1,011.0	600.2	1,611.2
Current assets	507.6	1,260.9	1,768.5
	1,518.6	1,861.1	3,379.7
Remaining term to maturity			
Within one year	563.2	1,356.8	1,920.0
After one year and before five years	939.9	600.2	1,540.1
After five years	71.1	-	71.1
	1,574.2	1,957.0	3,531.2
Provision for credit impairment			
Portfolio provision			
At 1 October	15.4	23.8	39.2
Provision for credit impairment	5.9	5.9	11.8
At 30 September	21.3	29.7	51.0
Specific Provision			
At 1 October	34.7	43.9	78.6
Provision for credit impairment	(0.4)	22.3	21.9
At 30 September	34.3	66.2	100.5

The effect of reclassification in prior years is disclosed in note 36.

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20. INVENTORIES

Cost

Raw materials and consumables
Goods for resale

Carrying value of inventories pledged

The cost of inventories recognised as expense and included in cost of sales amounted to Rs 1,406.7m (2013: Rs 1,216.3m)

GROUP	
Sep-14 Rs m	Sep-13 Rs m
0.7	7.4
337.5	276.0
338.2	283.4
338.2	283.4

21. CONSUMABLE BIOLOGICAL ASSETS

Livestock

At 1 October
Additions
Loss arising from changes in fair value
At 30 September

The fair value measurements have been categorised as level 3.

GROUP	
Sep-14 Rs m	Sep-13 Rs m
1.1	-
0.6	2.0
(0.2)	(0.9)
1.5	1.1

22. TRADE AND OTHER RECEIVABLES

Trade receivables
Less impairment

Prepayments
Other receivables

Receivable from subsidiary companies
Receivable from joint venture
Receivable from related company
Loan at call
- Subsidiary companies
Short term loans to subsidiary companies

GROUP		COMPANY	
Sep-14 Rs m	Sep-13 Rs m	Sep-14 Rs m	Sep-13 Rs m
1,017.5	1,090.2	-	-
(130.3)	(146.5)	-	-
887.2	943.7	-	-
35.0	42.2	6.0	7.0
243.2	185.3	-	-
1,165.4	1,171.2	6.0	7.0
-	-	20.9	22.3
-	3.0	-	3.0
0.4	96.0	-	95.5
-	-	236.3	315.8
-	-	447.5	270.6
0.4	99.0	704.7	707.2
1,165.8	1,270.2	710.7	714.2

The carrying amount of the receivables is considered as a reasonable approximation of fair value.

The effect of reclassification in prior years is disclosed in note 36.

Ageing of trade receivables

Less than 3 months
Impairment

More than 3 months
Impairment

More than 6 months
Impairment

Impairment of trade receivables

At 1 October
(Release)/provision made during the year
At 30 September
Past due but not impaired

GROUP	
Sep-14 Rs m	Sep-13 Rs m
761.8	757.3
-	-
761.8	757.3
85.1	120.5
-	-
85.1	120.5
170.6	212.4
(130.3)	(146.5)
40.3	65.9
887.2	943.7
146.5	141.4
(16.2)	5.1
130.3	146.5
30.0	25.5

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23. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	Sep-14 Rs m	Sep-13 Rs m	Sep-14 Rs m	Sep-13 Rs m
Loans at call receivable	-	-	236.3	315.8
Bank balances and cash	608.6	502.0	2.8	5.1
Loans at call payable	-	-	(89.1)	(69.8)
Bank overdrafts	(234.0)	(227.5)	-	-
	374.6	274.5	150.0	251.1

The bank overdrafts are secured by floating charges on the assets of the borrowing companies.

The rate of interest varies between 6.75% and 8.50% (2013:2.75% and 9.25%).

24. SHARE CAPITAL

	2014 & 2013	
	No of shares Million	Ordinary shares Rs m
At 30 September 2013 & 2014	680.5	680.5

The stated number of ordinary shares is 680,522,310 at no par value. All shares are fully paid and carry voting rights.

25. BORROWINGS

	GROUP		COMPANY	
	Sep-14 Rs m	Sep-13 Rs m	Sep-14 Rs m	Sep-13 Rs m
(a) Non current				
Bank and other borrowings - Secured	56.7	128.1	56.7	113.3
Bank and other borrowings - Unsecured	261.2	61.7	-	-
Cash flow hedge (note (d))	31.8	93.3	31.8	93.3
Other loans	81.6	131.8	81.6	131.8
Medium Term Note (note (e))	750.0	750.0	750.0	750.0
Deposits	931.4	816.2	-	-
Finance lease obligations	0.8	1.4	-	-
	2,113.5	1,982.5	920.1	1,088.4
Current				
Bank overdrafts	234.0	227.5	-	-
Bank and other borrowings - Secured	842.2	681.7	56.6	56.7
Bank and other borrowings - Unsecured	787.7	240.7	400.0	150.0
Cash flow hedge (note (d))	63.5	155.5	63.5	155.5
Other loans	49.9	46.3	49.9	46.3
Deposits	1,105.4	1,210.2	-	-
Finance lease obligations	0.6	0.6	-	-
	3,083.3	2,562.5	570.0	408.5
Total	5,196.8	4,545.0	1,490.1	1,496.9

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25. BORROWINGS (CONT'D)

(b) Repayable otherwise than by instalments:

After one year and before two years

Deposits

Others

After two years and before three years

Deposits

Others

After three years and before five years

Deposits

Others

After five years

Repayable by instalments:

After one year and before two years

After two years and before three years

After three years and before five years

GROUP		COMPANY	
Sep-14	Sep-13	Sep-14	Sep-13
Rs m	Rs m	Rs m	Rs m
454.8	234.4	-	-
72.0	16.9	-	-
376.9	400.4	-	-
69.9	15.3	-	-
99.6	181.4	-	-
859.4	750.0	750.0	750.0
10.1	16.5	-	-
88.4	211.8	141.9	168.7
82.4	155.8	28.2	169.7
-	-	-	-
2,113.5	1,982.5	920.1	1,088.4

(c) The effective interest rates at the end of the reporting period were as follows:

Bank overdrafts

Bank and other borrowings - Secured

Bank and other borrowings - Unsecured

Cash flow hedge

Other loans

Deposits

Finance lease obligations

GROUP		COMPANY	
Sep-14	Sep-13	Sep-14	Sep-13
%	%	%	%
6.75 - 8.50	2.75 - 9.25	6.75	6.75
6.00 - 6.70	5.00 - 6.95	6.00 - 6.70	5.00 - 6.95
0.75 - 5.20	0.75 - 5.35	4.50 - 5.20	5.00 - 5.35
1.70 - 1.90	1.80 - 2.20	1.70 - 1.90	1.80 - 2.20
7.00 - 7.15	7.15 - 7.25	7.00 - 7.15	7.15 - 7.25
3.03 - 8.30	3.03 - 12.10	-	-
7.00 - 8.00	7.00 - 9.00	-	-

(d) Cash flow hedge loans

At 1 October

Repayment of borrowings

Losses recognised in Other Comprehensive Income

Reclassification of adjustments for gains from Other

Comprehensive Income to Profit or Loss

At 30 September

GROUP AND COMPANY	
Sep-14	Sep-13
Rs m	Rs m
248.8	402.3
(154.2)	(154.2)
1.5	2.7
(0.8)	(2.0)
95.3	248.8

The above USD cash flow hedged loans are secured. Repayment term is by 6-monthly instalments basis over a period of 5 years. Upon repayment of the instalments amounts, the exchange difference will impact Profit or Loss and will be reclassified from reserves to Profit or Loss.

(e) In June 2013, the Company issued its first tranche notes with a nominal amount of Rs 750m under its Medium Term Note Programme. The notes carry a fixed interest rate of 5.55%, payable semi-annually, and is repayable at maturity on 11 June 2018.

The Medium Term Notes are secured by fixed and floating charges on the assets of the Group.

(f) The carrying amounts of the borrowings are denominated in the following currencies:

MUR and others

EURO

USD

GBP

GROUP		COMPANY	
Sep-14	Sep-13	Sep-14	Sep-13
Rs m	Rs m	Rs m	Rs m
4,878.8	4,258.8	1,394.8	1,248.1
162.7	20.5	-	-
144.5	265.7	95.3	248.8
10.8	-	-	-
5,196.8	4,545.0	1,490.1	1,496.9

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25. BORROWINGS (CONT'D)

- (g) The carrying amounts of borrowings are not materially different from their fair rate. The fair values are based on cash flows discounted on borrowing rates of 1% to 9% and are within level 2 of the fair value hierarchy.

26. DEFERRED TAXATION

Deferred income tax is calculated on all temporary differences under the liability method at 15% (2013: 15%).

- (a) There is a legally enforceable right to offset current tax assets against current tax liabilities and deferred income tax assets and liabilities when the deferred income taxes relate to the same fiscal authority. The following amounts are shown in the Statement of Financial Position:

	GROUP		COMPANY	
	Sep-14 Rs m	Sep-13 Rs m Restated	Sep-14 Rs m	Sep-13 Rs m Restated
Deferred tax liabilities	16.4	12.7	0.5	-
Deferred tax assets	(13.2)	(13.4)	-	-
	3.2	(0.7)	0.5	-

- (b) The movement on the deferred income tax account is as follows:

At 1 October

- as previously stated
- impact of changes in Employment Rights Act 2008
- as restated

Credited to Other Comprehensive Income
Charged/(credited) to Profit or Loss (note 9)
At 30 September

	GROUP		COMPANY	
	Sep-14 Rs m	Sep-13 Rs m	Sep-14 Rs m	Sep-13 Rs m
	3.1	11.0	-	-
	(3.8)	(3.1)	-	-
	(0.7)	7.9	-	-
	0.2	(5.9)	-	-
	3.7	(2.7)	0.5	-
	3.2	(0.7)	0.5	-

- (c) The movement on the deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same fiscal authority on the same entity, is as follows:

Deferred tax liabilities:

At 1 October 2012
Charged/(credited) to Profit or Loss
At 30 September 2013
Charged to Other Comprehensive Income
Charged to Profit or Loss
At 30 September 2014

	GROUP		COMPANY	
	Accelerated capital allowances Rs m	Fair value gains and others Rs m	Total Rs m	Fair value gains Rs m
	10.0	1.0	11.0	-
	2.7	(1.0)	1.7	-
	12.7	-	12.7	-
	-	0.4	0.4	-
	1.1	2.2	3.3	0.5
	13.8	2.6	16.4	0.5

Deferred tax assets:

At 1 October 2012
- as previously stated
- impact of changes in Employment Rights Act 2008
- as restated
Credited to Other Comprehensive Income
Charged/(credited) to Statement of Profit or Loss
At 30 September 2013
Credited to Other Comprehensive Income
(Credited)/charged to Statement of Profit or Loss
At 30 September 2014

	GROUP		
	Retirement benefit obligation Rs m	Impairment and provisions Rs m	Total Rs m
	-	-	-
	(3.1)	-	(3.1)
	(3.1)	-	(3.1)
	(5.9)	-	(5.9)
	(0.3)	(4.1)	(4.4)
	(9.3)	(4.1)	(13.4)
	(0.2)	-	(0.2)
	(0.2)	0.6	0.4
	(9.7)	(3.5)	(13.2)

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27. RETIREMENT BENEFIT OBLIGATIONS

Amounts recognised in the Statement of Financial Position

Pension benefits (note (a))
Unfunded pension schemes (note (b))
Other retirement benefits (note (c))

Analysed as follows:

Non current assets
Non current liabilities

Amounts charged to Profit or Loss

Pension benefits (note (a))
Unfunded pension schemes (note (b))
Other retirement benefits (note (c))

Total included in employee benefit expense (note 6)**Amount charged to Other Comprehensive Income**

Pension benefits (note (a))
Unfunded pension schemes (note (b))
Other retirement benefits (note (c))

GROUP	
Sep-14 Rs m	Sep-13 Rs m Restated
(9.6)	(10.2)
43.5	43.1
46.5	37.7
80.4	70.6
(9.6)	(10.2)
90.0	80.8
80.4	70.6
0.5	(1.3)
3.2	3.4
9.7	6.5
13.4	8.6
0.9	(8.1)
3.6	19.7
(0.9)	1.5
3.6	13.1

(a) Pension benefits

The Group operates a final salary defined benefit pension plan for some employees. The assets are held separately from the Group under the control of the Management Committee of Rogers Money Purchase Retirement Fund (RMPRF). The Group contributes to the pension plan in respect of some employees who have a No Worse Off Guarantee (NWOOG) so that their benefits would not be worse than what they would have earned under a previous defined benefit plan.

(i) Amounts recognised in the Statement of Financial Position are as follows:

Present value of funded obligations
Fair value of plan assets
Asset in the Statement of Financial Position
The reconciliation of the opening balances to the closing balances for the net defined benefit liability (assets) is as follows:
At 01 October
Charged/(credited) to Profit or Loss
Charged/(credited) to Other Comprehensive Income
Contributions paid
At 30 September

GROUP	
Sep-14 Rs m	Sep-13 Rs m
37.8	39.7
(47.4)	(49.9)
(9.6)	(10.2)
(10.2)	-
0.5	(1.3)
0.9	(8.1)
(0.8)	(0.8)
(9.6)	(10.2)

(ii) Amounts recognised in Profit or Loss and Other Comprehensive Income are as follows:*Service cost:*

Current service cost
Net interest on net defined benefit asset
Components of amount recognised in Profit or Loss
Return on plan assets above interest cost
Liability experience gains
Liability loss due to change in financial assumptions
Effect of accounting for NWOOG
Components of amount recognised in Other Comprehensive Income
Actual return on plan assets

1.3	1.0
(0.8)	(2.3)
0.5	(1.3)
(2.0)	(0.5)
(3.3)	(0.3)
6.2	16.9
-	(24.2)
0.9	(8.1)
55.6	48.7

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27. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Pension benefits (cont'd)

(iii) Movements in the defined benefit obligations over the year is as follows:

At 1 October	39.7	-
Effect of accounting for NWO	-	19.8
Current service cost	1.3	1.0
Interest expense	2.8	1.9
Benefits paid on settlement	(8.9)	0.4
Liability experience gains	(3.3)	(0.3)
Liability loss due to change in financial assumptions	6.2	16.9
At 30 September	37.8	39.7

(iv) Movements in the fair value of plan assets over the year is as follows:

At 01 October	49.9	-
Effect of accounting for NWO	-	44.0
Interest income	3.6	4.2
Employer contribution	0.8	0.8
Benefits paid	(8.9)	0.4
Return on plan assets excluding interest income	2.0	0.5
At 30 September	47.4	49.9

(v) Sensitivity Analysis on defined benefit obligation at end of year

Increase due to 1% decrease in discount rate	24.9	8.1
Decrease due to 1% increase in discount rate	20.3	6.8

The above sensitivity analysis has been carried out by recalculating the present value of obligation at end of period after increasing or decreasing the discount rate while leaving all other assumptions unchanged. The results are particularly sensitive to a change in discount rate due to the nature of the liabilities being the difference between a minimum Defined Benefit liability and the projected Defined Contribution liabilities, the latter being Rs 84.5m as at 30 September 2014. Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligation.

The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some the assumptions may be correlated.

(vi) Allocation of plan assets at end of year:

Equity - local quoted	33	23
Equity - overseas quoted	25	25
Debt - local unquoted	30	32
Debt - overseas quoted	2	3
Property - local	2	7
Cash and other	8	10
	100	100

(vii) Future cashflows

- The funding policy is to pay contributions to an external legal entity at the rate recommended by the entity's actuaries.
- Expected employer contributions to post-employment benefit plans for the year ending 30 September 2015 are Rs 0.8m
- The weighted average duration of the defined benefit obligations ranges between 11 years and 18 years.

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27. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Pension Benefits (cont'd)

(viii) Principal actuarial assumptions at end of year:

Discount rate
Future salary increases
Future pension increases
Average retirement age (ARA)
Average life expectancy for:
- Male at ARA
- Female at ARA

GROUP	
Sep-14	Sep-13
8.0%	8.0%
6.5%	6.5%
2.0%	1.5 - 2.0%
60 - 65	60
19.5 years	19.5 years
24.2 years	24.2 years

The Plan exposes the Group to normal risks associated with defined benefit pension plans such as investment, interest, longevity and salary risks.

- Investment risk

The Plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan assets is below this rate, it will create a plan deficit and if it is higher, it will create a plan surplus. Currently the Plan has a relatively balanced investment in equity securities, debt instruments and real estate to leverage the return generated by the Plan assets.

- Interest risk

A decrease in the bond interest rate will increase the Plan liability; however, this may be partially offset by an increase in the return on the Plan's debt investments and a decrease in inflationary pressures on salary and pension increases.

- Longevity risk

The Plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the Plan participants will increase the Plan liability.

- Salary risk

The Plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the Plan participants above the assumed rate will increase the Plan liability whereas an increase below the assumed rate will decrease the liability.

There have been no plan amendment, curtailment or settlement during the year.

(b) Unfunded pension schemes

Unfunded pension schemes comprise of pensions paid out of cash flow.

(i) Amounts recognised in the Statement of Financial Position are as follows:

Present value of unfunded obligation
Liability in the Statements of Financial Position

GROUP	
Sep-14	Sep-13
Rs m	Rs m
43.5	43.1
43.5	43.1

(ii) Amounts recognised in Profit or Loss and Other Comprehensive Income are as follows:

Net interest on net defined benefit liability

Components of amount recognised in Profit or Loss

Liability experience loss
Liability loss due to change in financial assumptions

Components of amount recognised in Other Comprehensive Income

3.2	3.4
3.2	3.4
3.6	16.6
-	3.1
3.6	19.7

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27. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(b) Unfunded pension schemes (cont'd)

(iii) Movements in liability recognised in Statement of Financial Position:

	GROUP	
	Sep-14 Rs m	Sep-13 Rs m
At 1 October	43.1	26.0
Interest expense	3.2	3.4
Other benefits paid	(6.4)	(6.0)
Liability experience loss	3.6	16.6
Liability loss due to change in financial assumptions	-	3.1
At 30 September	43.5	43.1

(iv) Sensitivity Analysis on defined benefit obligation at end of period

Increase due to 1% decrease in discount rate	2.6	2.7
Decrease due to 1% increase in discount rate	2.3	2.4

The above sensitivity analysis has been carried out by recalculating the present value of obligation at end of period after increasing or decreasing the discount rate while leaving all other assumptions unchanged. Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligation.

The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some the assumptions may be correlated.

(v) Future cash flows

- The funding policy is to pay benefits out of the Group's cash flow as and when due.
- Expected employer contributions to post-employment benefit plans for the year ending 30 September 2015 are Rs 6.8m.
- The weighted average duration of the defined benefit obligations is 6 years.

(vi) Principal actuarial assumptions at end of year:

	GROUP	
	Sep-14	Sep-13
Discount rate	8.0%	8.0%
Future salary increases	3.5%	3.5%
Average retirement age (ARA)	60	60
Average life expectancy for:		
- Male at ARA	19.5 years	19.5 years
- Female at ARA	24.2 years	24.2 years

(c) Other retirement benefits

Other retirement benefits comprise full and residual retirement gratuities.

(i) Amounts recognised in the Statement of Financial Position are as follows:

	GROUP	
	Sep-14 Rs m	Sep-13 Rs m
Present value of unfunded obligation	46.5	37.7
Liability in the Statements of Financial Position	46.5	37.7

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27. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(c) Other retirement benefits (cont'd)

(ii) Amounts recognised in Profit or Loss and Other Comprehensive Income are as follows:

Service cost:

Current service cost

Past service cost

Net interest on net defined benefit liability

Components of amount recognised in Profit or Loss

Liability experience gain

Liability loss due to change in financial assumptions

Components of amount recognised in Other Comprehensive Income

(iii) Movements in liability recognised in Statement of Financial Position:

At 1 October

- as previously stated

- impact of changes in Employment Rights Act 2008

- as restated

Current service cost

Past service cost

Interest expense

Liability experience gains

Liability loss due to change in financial assumptions

At 30 September

(iv) Sensitivity Analysis on defined benefit obligation at end of period

Increase due to 1% decrease in discount rate

Decrease due to 1% decrease in discount rate

GROUP	
Sep-14	Sep-13
Rs m	Rs m
4.6	3.9
2.1	-
6.7	3.9
3.0	2.6
9.7	6.5
(1.3)	(1.4)
0.4	2.9
(0.9)	1.5
5.6	5.0
32.1	24.7
37.7	29.7
4.6	3.9
2.1	-
3.0	2.6
(1.3)	(1.4)
0.4	2.9
46.5	37.7
19.1	1.0
15.0	0.8

The above sensitivity analysis has been carried out by recalculating the present value of obligation at end of period after increasing or decreasing the discount rate while leaving all other assumptions unchanged. Any similar variation in the other assumptions would have shown smaller variations in defined benefit obligation.

The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In relation to the residual retirement gratuities, the results are particularly sensitive to a change in discount rate due to the nature of liabilities being the difference between the pure retirement gratuities under the Employment Rights Act 2008 and the deductions allowable, being five times the annual pension provided and half the lump sum received by the member at retirement from the pension fund with reference to the Company's share of contributions. The latter's amount is Rs 136.2m as at 30 September 2014.

(v) Future cash flows

- The funding policy is to pay benefits out of the Group's cash flow as and when due.

- Expected employer contributions to post-employment benefit plans for the year ending 30 September 2015 are Rs 1.4m.

- The weighted average duration of the defined benefit obligations ranges between 2 years and 34 years.

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EXPLANATORY NOTES

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27. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(c) Other retirement benefits (cont'd)

(vi) Principal actuarial assumptions at end of year:

Discount rate

Future salary increases

Future pension increases

Average retirement age (ARA)

Average life expectancy for:

- Male at ARA

- Female at ARA

GROUP	
Sep-14	Sep-13
8.0%	8.0%
6.0% - 6.5%	6.0% - 7.5%
2.0%	2.0%
60	60
19.5 years	19.5 years
24.2 years	24.2 years

(d) Contribution to the defined contribution plans amounted to Rs 22.1m (2013: Rs 18.9m).

28. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	Sep-14 Rs m	Sep-13 Rs m Restated	Sep-14 Rs m	Sep-13 Rs m
Trade payables	505.1	383.4	-	-
Accruals	259.7	361.6	14.7	13.3
Other payables	303.6	350.0	24.7	20.7
	1,068.4	1,095.0	39.4	34.0
Amount payable to				
- Related companies	73.6	59.6	-	-
- Subsidiary companies	-	-	6.7	5.7
Loan at call				
- Subsidiary companies	-	-	89.1	69.8
	73.6	59.6	95.8	75.5
	1,142.0	1,154.6	135.2	109.5

The carrying amount of the payables is considered as a reasonable approximation of fair value.

29. DIVIDENDS

Amounts recognised as distributions to equity holders in the year:

Final dividends payable of Rs 0.16 per share (2013: Rs 0.12 per share)

Interim dividends paid of Rs 0.10 per share (2013: Rs 0.10 per share)

COMPANY	
2014 Rs m	2013 Rs m
108.9	81.7
68.0	68.0
176.9	149.7

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30. EARNINGS PER SHARE

Profit attributable to owners of the parent

Number of shares used

in calculation

Earnings per share

Profit attributable to owners of the parent

(adjusted for exceptional item)

Number of shares used

in calculation

Earnings per share

(adjusted for exceptional item)

	GROUP		COMPANY	
	Sep-14 Rs m	Sep-13 Rs m Restated	Sep-14 Rs m	Sep-13 Rs m
Profit attributable to owners of the parent	604.3	493.6	316.6	330.2
Number of shares used in calculation	680,522,310	680,522,310	680,522,310	680,522,310
Earnings per share	Rs 0.89	0.72	0.47	0.49
Profit attributable to owners of the parent (adjusted for exceptional item)	604.3	397.7	316.6	262.5
Number of shares used in calculation	680,522,310	680,522,310	680,522,310	680,522,310
Earnings per share (adjusted for exceptional item)	Rs 0.89	0.58	0.47	0.39

31. NOTES TO THE STATEMENT OF CASH FLOWS

Cash generated from operations

Profit before taxation

Depreciation

Amortisation

Impairment of investment

Loss on scrapped equipment

Loss on disposal of subsidiary

Impairment charge

Profit on sale of property, plant and equipment

Gain on revaluation of investment properties

Profit on disposal of financial assets

Investment income

Interest expense

Interest income

Exchange losses on borrowings

Share results of associates

Share result of joint venture

Retirement benefit obligations

Changes in working capital (excluding the effects of
acquisition and disposal of subsidiaries)

Inventories

Net investment in finance leases and other credit
agreements

Consumable biological asset

Trade and other receivables

Trade and other payables

Cash generated from/(used in) operations

	GROUP		COMPANY	
	Sep-14 Rs m	Sep-13 Rs m Restated	Sep-14 Rs m	Sep-13 Rs m
Profit before taxation	695.2	576.8	317.1	330.2
Depreciation	80.7	90.1	-	-
Amortisation	29.4	29.3	-	-
Impairment of investment	-	-	-	35.9
Loss on scrapped equipment	0.3	-	-	-
Loss on disposal of subsidiary	0.1	-	-	-
Impairment charge	1.9	38.8	-	-
Profit on sale of property, plant and equipment	(2.4)	(2.0)	-	-
Gain on revaluation of investment properties	(114.2)	-	(3.1)	-
Profit on disposal of financial assets	-	(95.9)	-	(97.8)
Investment income	-	-	(337.5)	(302.1)
Interest expense	261.4	272.5	80.7	67.2
Interest income	(168.2)	(169.0)	(68.8)	(41.9)
Exchange losses on borrowings	0.8	2.0	0.8	2.0
Share results of associates	(3.1)	(14.9)	-	-
Share result of joint venture	(22.0)	(3.2)	-	-
Retirement benefit obligations	6.2	1.8	-	-
	766.1	726.3	(10.8)	(6.5)
Changes in working capital (excluding the effects of acquisition and disposal of subsidiaries)				
Inventories	(54.8)	(19.8)	-	-
Net investment in finance leases and other credit agreements	(544.9)	(484.2)	-	-
Consumable biological asset	(0.4)	(1.1)	-	-
Trade and other receivables	132.0	43.4	96.5	(8.2)
Trade and other payables	(17.3)	56.8	(2.6)	(41.9)
Cash generated from/(used in) operations	280.7	321.4	83.1	(56.6)

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32. BUSINESS COMBINATION

(a) Disposal of subsidiary

The Group disposed of its shareholding in Cim Administrators Sdn Bhd for nil consideration during the year.

Analysis of asset and liabilities over which control was lost is as follows:

	Total Rs m
Bank balances and cash	0.2
Trade and other payables	(0.1)
Net assets disposed of subsidiary	0.1
Loss on disposal	
Consideration on disposal of subsidiaries	-
Net assets disposed of subsidiaries	(0.1)
Loss on disposal	(0.1)
Net cash outflows on disposal of subsidiaries	
Consideration received in cash and cash equivalents	-
Less bank balances and cash disposed of	(0.2)
	(0.2)

(b) Acquisition of additional interest in subsidiaries

In August 2014, the Group acquired an additional 3.3% and 10% interest in Cim Global Reinsurance Company Ltd and Cim Captive Reinsurance Company PCC respectively for Rs 3.2m in cash and Rs 4.7m through current account receivable from the minority shareholder, increasing its ownership to 100% in both companies. The carrying amount of net assets in the consolidated financial statements on the date of acquisition was as follows:

	Rs m
Cim Global Reinsurance Company Ltd	80.2
Cim Captive Reinsurance Company PCC	11.4
	91.6

The Group recognised a decrease in non controlling interest of Rs 3.8m and a decrease in retained earnings of Rs 4.1m.

The following summarises the effect of changes in the Group's (parent) ownership interest:

	Cim Global Reinsurance Company Ltd Rs m	Cim Captive Reinsurance Company PCC Rs m	Total Rs m
Parent's ownership interest at beginning of period	77.1	12.6	89.7
Effect of increase in parent's ownership interest	2.7	1.1	3.8
Share of profit and other comprehensive income	1.0	(2.1)	(1.1)
Parent's ownership interest at end of period	80.8	11.6	92.4

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33. COMMITMENTS

- (a) Operating lease - where the Group is the lessor

The future minimum lease receivable under operating leases are as follows:

Within one year

After one year and before five years

Later than 5 years

GROUP	
Sep-14	Sep-13
Rs m	Rs m
52.6	46.1
89.4	96.9
8.3	1.5
150.3	144.5

- (b) Operating lease - where the Group is the lessee

The Group leases equipments under non cancellable operating lease agreements and the future aggregate

minimum lease payments are as follows:

Not later than one year

Later than one year and not later than five years

GROUP	
Sep-14	Sep-13
Rs m	Rs m
4.5	4.5
2.3	6.8
6.8	11.3

34. CONTINGENT LIABILITIES

Pending legal matter and guarantees

GROUP	
Sep-14	Sep-13
Rs m	Rs m
270.0	270.0

At 30 September 2014, the Company had contingent liabilities in respect of guarantees from which it is anticipated that no material liabilities would arise. The Company has given corporate guarantees amounting to Rs 220.0m (2013: Rs 220.0m) on behalf of two subsidiary companies. Pending legal matter relates to court case against one of our subsidiary companies, the outcome of which is unknown.

35. IMPACT OF CHANGES IN EMPLOYMENT RIGHTS ACT 2008

Changes were made to the Employment Rights Act which now stipulates that the Gratuity paid on Retirement should be based on the remuneration (which is inclusive of payment for extra work, productivity bonus, commission in return for services and any other regular payment) of the employee instead of the earnings. The amount due per year of service is 15 days remuneration based on a month of 26 days (15/26). Formerly, it was 1/2 month per year of service. These amendments have been applied retrospectively.

Impact of changes in Employment Rights Act 2008 on 01 October 2012 and 30 September 2013 figures:

GROUP

Balance as reported at October 1, 2012

- as previously stated

- impact of changes in Employment Rights Act 2008

- as restated

Balance as reported at September 30, 2013

- as previously stated

- impact of changes in Employment Rights Act 2008 on 2012 figures

- impact of changes in Employment Rights Act 2008 on 2013 figures

- as restated

Deferred tax liabilities/(assets)	Retirement benefit obligations	Total equity
Rs m	Rs m	Rs m
11.0	31.0	1,833.3
(3.1)	24.7	(21.6)
7.9	55.7	1,811.7
3.1	48.7	2,177.5
(3.1)	24.7	(21.6)
(0.7)	7.4	(6.7)
(0.7)	80.8	2,149.2

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35. IMPACT OF CHANGES IN EMPLOYMENT RIGHTS ACT 2008 (CONT'D)

The effect on profit or loss is as follows:

	Sep-13 Rs m
Decrease in profit from operations	(5.5)
Decrease of taxation	0.7
Decrease in profit	(4.8)

The effect on total comprehensive income is as follows:

	Sep-13 Rs m
Remeasurement of defined benefit obligations	(1.9)
Decrease in other comprehensive income	(1.9)
Decrease in total comprehensive income	(6.7)

Effect on earnings per share

Rs. **(0.01)**

36. CHANGE IN CLASSIFICATION OF ITEMS IN THE STATEMENT OF FINANCIAL POSITION

The Group has reclassified its loan receivables and receivables in respect of hire purchase and other credit agreements. The disclosure requirements of IAS 17 have been applied in respect of the hire purchase and other credit agreements.

The impact in the Statement of Financial Position is as follows:

	GROUP	
	Sep-13 Rs m	1 Oct-12 Rs m
(i) As previously stated		
Non current assets		
Non current receivables	0.2	0.8
Net investment in leases	1,011.0	884.8
Current assets		
Net investment in leases	507.6	486.4
Trade and other receivables	3,221.9	2,901.7
(ii) As restated		
Non current assets		
Non current receivables	90.8	125.7
Net investment in leases and other credit agreements	1,611.2	1,395.6
Current assets		
Net investment in leases and other credit agreements	1,768.5	1,533.7
Trade and other receivables	1,270.2	1,218.7

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37. RELATED PARTY TRANSACTIONS

- (a) During the year the Group transacted with related parties.

Transactions which are not dealt with elsewhere in the financial statements are as follows :

	GROUP		COMPANY	
	Sep-14 Rs m	Sep-13 Rs m	Sep-14 Rs m	Sep-13 Rs m
Sales of goods & services to				
Companies with common shareholders	18.7	7.7	-	-
Purchase of goods & services from				
Companies with common shareholders	47.9	27.6	-	-
Joint venture	9.8	9.3	-	-
Dividend income and interest income				
Subsidiary companies	-	-	403.9	329.7
Associates	-	10.1	-	10.1
Joint venture	-	3.0	-	3.0
Companies with common shareholders	11.6	0.7	2.3	0.7
Financial charges				
Subsidiary companies	3.7	-	3.5	2.3
Loans payable to				
Companies with common shareholders	30.0	30.0	-	-
Subsidiary companies	-	-	89.1	69.8
Loans and leases receivable from				
Companies with common shareholders	97.5	67.7	-	-
Subsidiary companies	-	-	1,223.8	1,246.4
Amount owed by				
Companies with common shareholders	0.4	96.0	-	95.5
Subsidiary companies	-	-	20.9	22.3
Joint venture	-	3.0	-	3.0
Amount owed to				
Companies with common shareholders	73.6	59.6	-	-
Subsidiary companies	-	-	6.7	5.7
Remuneration of key management personnel				
Short-term employee benefit	53.7	59.5	4.9	5.8
Post employment benefits	2.7	2.7	-	-

- (b) The above transactions have been made on commercial terms and in the normal course of business.
- (c) Outstanding balances at the year end are unsecured with interest varying from 0.75% to 8.5% (2013: 0.75% to 12.1%) and settlement occurs in cash and/or through current account. The Group has not recorded any impairment of receivable relating to amounts owed by the related parties (2013: nil).

CIM FINANCIAL SERVICES LTD

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38. BUSINESS SEGMENTS

Year ended 30 September 2014	Global Business	Finance	Property	Investments	Corporate Office	Group elimination	Total
	Rs m	Rs m	Rs m	Rs m	Rs m	Rs m	Rs m
Revenue	636.0	1,082.5	100.4	1,746.1	504.4	(567.7)	3,501.7
Segment profit from operations	204.6	473.6	30.3	61.8	47.0	-	817.3
Gains on revaluation of investment properties	-	-	111.1	-	3.1	-	114.2
Finance costs	(0.6)	(176.6)	(0.8)	(5.3)	(78.1)	-	(261.4)
Share of results of associates	-	-	-	3.1	-	-	3.1
Share of result of joint venture	-	-	22.0	-	-	-	22.0
Profit/(loss) before exceptional items	204.0	297.0	162.6	59.6	(28.0)	-	695.2
Exceptional Items	-	-	-	-	-	-	-
Profit/(loss) before taxation	204.0	297.0	162.6	59.6	(28.0)	-	695.2
Taxation	(33.9)	(47.0)	(8.4)	(6.8)	(0.6)	-	(96.7)
Profit/(loss) for the year	170.1	250.0	154.2	52.8	(28.6)	-	598.5
Assets	393.7	6,027.1	1,852.1	721.2	1,652.7	(1,021.8)	9,625.0
Liabilities	253.9	5,285.1	295.6	455.3	1,811.9	(1,529.1)	6,572.7
Capital expenditure	(8.7)	(143.7)	(11.4)	(37.6)	(8.2)	-	(209.6)
Depreciation & amortisation	10.0	74.1	7.2	15.1	3.7	-	110.1

(a) Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Executive Officer.

(b) Product description of above segments:

Global Business - corporate administration, fund administration, tax structuring, trusts and corporate secretarial services.

Finance - consumer finance, leasing, card acquiring and issuing, factoring, deposit taking and foreign exchange dealing.

Property - property management and rentals.

Investments - import and distribution of consumer electronics and household appliances and captive insurance.

Corporate Office - strategy monitoring, support to SBUs, performance monitoring and statutory reporting.

CIM FINANCIAL SERVICES LTD

EXPLANATORY NOTES

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38. BUSINESS SEGMENTS (CONT'D)

	Global Business	Finance	Property Investments	Corporate Office	Group elimination	Total	
Year ended 30 September 2013 - Restated	Rs m	Rs m	Rs m	Rs m	Rs m	Rs m	
Revenue	644.0	1,076.6	99.8	1,496.8	460.1	(531.3)	3,246.0
Segment Profit/(loss) from operations	192.2	486.7	50.4	23.2	(17.2)	-	735.3
Finance costs	(1.9)	(222.8)	(7.9)	(12.3)	(27.6)	-	(272.5)
Share of results of associates	-	-	-	14.9	-	-	14.9
Share of result of joint venture	-	-	3.2	-	-	-	3.2
Profit/(loss) before exceptional items	190.3	263.9	45.7	25.8	(44.8)	-	480.9
Exceptional Items	-	-	-	-	95.9	-	95.9
Profit before taxation	190.3	263.9	45.7	25.8	51.1	-	576.8
Taxation	(30.9)	(47.3)	(7.7)	-	(0.6)	-	(86.5)
Profit for the year	159.4	216.6	38.0	25.8	50.5	-	490.3
Assets	359.2	5,433.8	1,459.0	602.9	1,473.0	(974.8)	8,353.1
Liabilities	239.4	4,755.5	303.1	433.7	1,751.6	(1,593.8)	5,889.5
Capital expenditure	(4.4)	(56.7)	(8.6)	(6.0)	(8.3)	-	(84.0)
Depreciation & amortisation	19.6	77.9	5.0	12.6	4.3	-	119.4

The Group's activity is mainly carried out by companies based in Mauritius.

39. ULTIMATE HOLDING COMPANY

The holding and ultimate holding companies of the Company are Cim Holdings Ltd and Elgin Ltd respectively. Both companies are incorporated in Mauritius.

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40. FINANCIAL SUMMARY

GROUP

Statements of Profit or Loss and Other Comprehensive Income

Continuing operations

	Sep-14 Rs m	Sep-13 Rs m Restated	Sep-12 Rs m Restated
Revenue	3,501.7	3,246.0	2,913.5
Profit from operations	817.3	735.3	628.9
Finance costs	(261.4)	(272.5)	(286.8)
Gain on revaluation of investment properties	114.2	-	-
Share of results of associates	3.1	14.9	5.7
Share of result of joint venture	22.0	3.2	-
Profit before exceptional items	695.2	480.9	347.8
Exceptional items:			
Profit on disposal of financial assets	-	95.9	10.4
Impairment of investment	-	-	(492.4)
Profit/(loss) before taxation	695.2	576.8	(134.2)
Taxation	(96.7)	(86.5)	(77.4)
Profit/(loss) for the year from continuing operations	598.5	490.3	(211.6)

Discontinued operations

Profit for the year from operations	-	-	23.6
Profit on disposal of financial assets	-	-	439.0
Profit for the year from discontinued operations	-	-	462.6
Profit for the year	598.5	490.3	251.0
Other comprehensive income for the year, net of tax	175.0	(6.4)	(4.1)
Total comprehensive income for the year	773.5	483.9	246.9

Profit attributable to:

Owners of the parent	604.3	493.6	251.6
Non controlling interests	(5.8)	(3.3)	(0.6)
	598.5	490.3	251.0

Total comprehensive income attributable to:

Owners of the parent	685.9	487.2	247.5
Non controlling interests	87.6	(3.3)	(0.6)
	773.5	483.9	246.9
Earnings per share from continuing operations	0.89	0.72	(0.67)
Earnings per share from discontinued operations	-	-	1.47
Earnings per share	0.89	0.72	0.80

Statements of Financial Position

Non current assets	5,558.9	4,514.6	4,353.2
Current assets	4,066.1	3,838.5	3,546.4
Non current assets classified as held for sale	-	-	19.6
	9,625.0	8,353.1	7,919.2
Share capital	680.5	680.5	680.5
Reserves	1,973.6	1,468.7	1,131.2
Non controlling interests	398.2	314.4	317.7
Non current liabilities	2,206.7	2,063.3	1,716.6
Current liabilities	4,366.0	3,826.2	4,073.2
	9,625.0	8,353.1	7,919.2

Share Capital

Number of ordinary shares - issued and fully paid

Units 680,522,310 680,522,310 680,522,310



DIRECTORS OF SUBSIDIARY COMPANIES

	Aubdool Riad	Appadoo Anjali Devi	Appadoo Rajesh	Audit Renu	Bathfield Pierre Raoul Sydney	Chung Kai To Cyril Yin Choon	Couacaud Maingard Herbert	Darga Louis Amédée	Descroizilles Marcel Vivian	Espitalier-Noël M.M.Hector	Espitalier-Noël M. H. Philippe	Fakun Sandeep	Fourie Joseph	Gaskell David	Gowrea Gyaneshwarnath	Gujadhur Budheshwar	Gujjalu Rajiv	Hare Oliver Anthony	Heberden Edward Vaughan	Imrith Rehma Devi Narveena	Jauffret Olivier Emmanuel
CFUS Nominee Ltd																		A			
CSB02 Ltd							X		X										R		
South West Safari Group Limited							X		X										R		
CTD Cascades Nominee (Mauritius) Ltd																			R		
CTD Cascades (Mauritius) Ltd																			R		
Cim Global Business Ltd																	A	A			
Cim Learning Centre Ltd																					
Cim Finance Ltd.						X													R		
Cim Financial Services Ltd								A	X									R	R		A
Cim Property Holdings Ltd																			R		
Cim Property Development Ltd																			R		
Cim Forex Ltd						R										X			R		
Cim Management Services Ltd																			R		
Cim Agencies Ltd						C															
Cim Tax Services Ltd				X											C						
Cim Trustees (Mauritius) Limited					R										X		X		R		
Cim Administrators Ltd																		A			
International Management (Mauritius) Ltd					X										X		A	A	R		
IMM Trustees Ltd.		R																			
Cim Fund Services Ltd (ex IMM Fund Administrators Ltd)					R										X		X	A	R		
Minimax Ltd															X		A				
Cim Corporate Services Ltd (ex Multiconsult Ltd)					R										X		A	A	R		
Multiconsult Trustees Ltd															X						
Orchid Nominees Ltd															X		A				
SWTD Bis Ltd							X												R		
Tiger Nominees Ltd															X		A				
Waterfalls International Ltd																			R		
The BrandHouse Ltd (ex Waterfalls Marketing Ltd)																			R		
Le Morne Development Corporation Ltd.							X			X	X										
San Paolo Ltd.																					
Cim Global Business Holdings Ltd																	X				
Cim Investment Advisors Ltd	X																				
Cim Global Reinsurance Co. Ltd													R	R			X	A			
Cim Captive Reinsurance Co. PCC													R	R			X	A			
Cim Global Business Singapore Pte			A															A			
Key Financial Services Ltd																					
The Oceanic Trust Co. Ltd																					
Fieldhall Ltd												X									
Hammerfield Nominees Ltd												X									
White Fin Nominees Ltd												X									
Conqueror Ltd												X									
Chronos Ltd												X									
Cosign Limited												X									
Isla Ltd												X									
Cim Fiduciary Administration Services Ltd																				A	
Cim Global Business UK Limited																	X				
Cim Shari'ah Compliant Platform																			X		
Cim Portfolio Managers PCC																					

C- Chairman

X-In office as director

A-Appointed as director

R-Resigned as director

NOTES



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