UNITED DOCKS LTD

ANNUAL REPORT 2015

Table of Contents

02 Introduction to Shareholders by Chairperson

03 Management and Administration

04 - 05 Notice of Annual Meeting

06 - 07 Chairperson's Statement

08 - 19 Corporate Governance Report

20 Statement of Directors' Responsibilities

21 Certificate of Compliance

22 Certificate from the Company Secretary

Table of Contents

23 - 25 Independent Auditors' Report

26 Statements of Financial Position

27 Statements of Profit or Loss and other Comprehensive Income

28 - 29 Statements of Change in Equity

30 Statements of Cash Flows

31 - 85 Notes to the Financial Statements

87 Proxy Form

United Docks Ltd Annual Report & Accounts 2014 - 2015

Dear Shareholders,

The Board of Directors is pleased to present the Annual Report of United Docks Ltd (the "Company") and its subsidiaries (together referred to as the "Group" for the year ended 30 June, 2015.

This report was approved by the Board of Directors on **30 September 2015.**

M H Dominique Galea
Chairperson

BOARD OF DIRECTORS

M. H. Dominique Galea (Chairperson)	Non-Executive
Nitin Pandea (appointed on 01 February 2015)	Executive
J. Alexis Harel	Non-Executive
L. M. C.Michele Lionnet	Independent
M. E. Cyril Mayer	Non-Executive
K.H. Bernard Wong Ping Lun	Non-Executive
Ismael Ibrahim Bahemia	Independent
Jean Claude Baissac (retired on 31March 2015)	Executive

MANAGING DIRECTOR

Nitin Pandea

CORPORATE SECRETARY

Executive Services Ltd.
2nd floor, Les Jamalacs Buildings
Vieux Conseil Street
Port Louis

AUDITOR

Ernst & Young
Tower 1
9th Floor, NeXTeracom
Ebene

REGISTRAR AND TRANSFER OFFICE

MCB Registry and Securities Limited
Raymond Lamusse Building
9-11, Sir William Newton Street
Port Louis

REGISTERED OFFICE ADDRESS

Kwan Tee Street
Caudan
Port Louis

Notice is hereby given that the annual meeting of shareholders will be held at the registered office of the Company, Kwan Tee Street, Caudan, Port Louis on **Wednesday 16 December 2015 at 10.00 hrs** to transact the following business:-

As ordinary business:

1. To receive and adopt the annual report and financial statements of the Company and of the Group for the year ended 30 June 2015 and the report of the auditors thereon.

2. To re-elect the following persons as directors of the Company to hold office until the next Annual Meeting (as separate resolutions):

   2.1 Mr M. H. Dominique Galea

   2.2 Mr I. Ibrahim Bahemia

   2.3 Mr J. Alexis Harel

   2.4 Mr M. Nadeem Lallmamode

   2.5 Mrs L. M. C. Michele Lionnet

   2.6 Mr M. E. Cyril Mayer

   2.7 Mr K. H. Bernard Wong Ping Lun

   2.8 Mr Nitin Pandea

3. To note that Messrs Ernst & Young, having indicated their willingness to continue in office, will be automatically re-appointed as auditors and to authorise the directors to fix their remuneration.

BY ORDER OF THE BOARD

EXECUTIVE SERVICES LTD
Per Ah Man Wong Too Yan
Secretary

Dated this **20th day of November 2015**

UNITED DOCKS LTD AND ITS SUBSIDIARIES
NOTICE OF ANNUAL MEETING

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/her and that proxy needs not also be a member.

  A proxy form is included in this annual report and is also available from the Managing Director at the Registered Office of the Company.

  Completed proxy forms should be delivered at the Registered Office of the Company, Kwan Tee Street, Caudan, Port Louis by **Tuesday 15 December 2015 at 10.00 hrs at latest**.

- A member may decide to vote by way of a postal vote. SBM Fund Services Ltd has been duly authorised by the Board to receive and count postal votes for the annual meeting of the Company.

  A postal vote form is included in this annual report and is also available from the Managing Director at the Registered Office of the Company.

  Completed postal votes should be delivered to SBM Fund Services Ltd, Level 3, State Bank Tower, 1 Queen Elizabeth II Avenue, Port Louis by **Friday 11 December 2015 at 10.00 hrs at latest**.

- Duly signed minutes of the annual meeting held on 16 December 2014 are available for consultation by the shareholders at the Registered Office of the Company.

M. H. Dominique Galea
Chairperson

Dear Shareholders,

It is my pleasure to submit this report together with the audited financial statements of United Docks Ltd (UDL) and its subsidiaries for the year ended 30 June 2015.

The year 2015 was marked by the retirement of Jean Claude Baissac and the appointment of Nitin Pandea as Managing Director with effect from 1st February 2015.

A NEW CORPORATE IDENTITY

To give a new dynamism to the company, a new corporate identity was developed for United Docks Ltd in May 2015.

In the same perspective, a new website www.uniteddocks.com was developed with a view to communicating more effectively with shareholders and stakeholders regarding the financial performance of the company and also the developments regarding forthcoming projects.

PRINCIPAL ACTIVITIES

Under the financial year under review, the Group's main activities have remained unchanged and consist mainly of real estate holdings and development, management of investments and renting of warehouses and offices.

RESULTS

For the year under review, the Group has incurred a profit of Rs 54.3m against a loss of Rs 5.4m last year. The profit for the year is due mainly to an increase of Rs 65.9 m in fair value of investment properties. There has been a slight increase in revenue and overheads over last year.

The Board does not recommend the payment of any dividend for the year under review (2014 : NIL).

LANDED PROPERTY

The Group owns the following freehold landed properties in Port Louis:

- Caudan : 9.26 arpents
- Trou Fanfaron : 11.22 arpents
- Cerné Docks : 0.44 arpents
- Farquhar Street : 0.42 arpents

SHARE PORTFOLIO

Our main investments are in AXYS Group Ltd in which we hold 20%, and Société Libra, through which we have an effective share holding of 13.41% in Harel Mallac and Company Ltd (see notes 7 in the Financial Statements for further details).

FORTHCOMING PROJECTS

Under the impetus of the new management, United Docks is now positioning itself as a key player in real estate development activities with two main areas of focus, namely warehousing & logistics and mixed use developments. Discussions have already been initiated with relevant authorities and preliminary proposals have already been submitted.

United Docks Ltd is considering the development of an integrated logistics park in Trou Fanfaron. This will involve a complete revamp of existing old warehouses in Trou Fanfaron and the construction of modern, state-of-the-art infrastructure to provide a full value chain solution to operators in logistics, distribution and seafood industries. Furthermore, a mixed-use development project is presently under consideration in Caudan.

I have no doubt that we will shortly see the materialisation of a few projects of United Docks Ltd.

I wish to take this opportunity to thank my fellow board members for their contribution and support during the past year and the shareholders for having entrusted the governance of the Group to our Board.

Finally, I wish to thank the management and staff of the Company for their dedication and hard work during the past year.

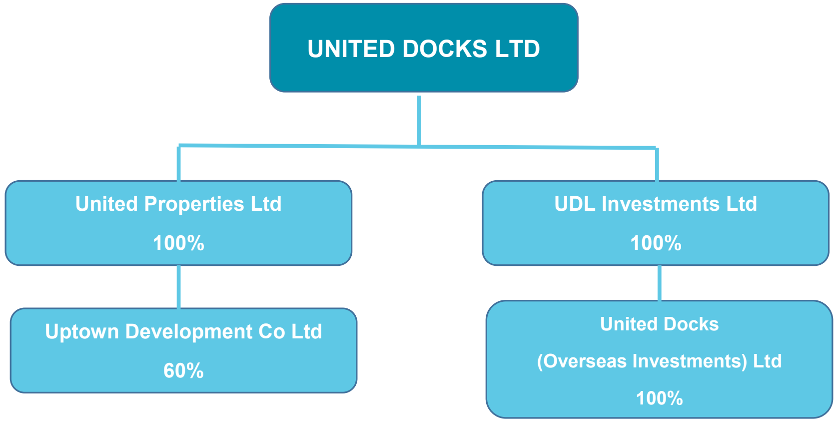
Yours sincerely,

M H Dominique Galea
Chairperson

1. HOLDING STRUCTURE

United Docks Ltd is a listed Company with a diverse shareholding of more than 1,600 members.

It has subsidiaries as per the structure below:



2. SUBSTANTIAL SHAREHOLDERS

The following shareholders held more than 5% of the shareholding of the Company as at June 30, 2015.

Shareholders	% Holding
Horus Ltée	18.27%
Ducray Lenoir (Investments) Ltd	10.24%
Terra Mauricia Ltd	5.95%

UNITED DOCKS LTD AND ITS SUBSIDIARIES
CORPORATE GOVERNANCE REPORT

3. DIRECTORS' PROFILE

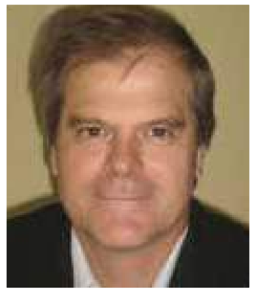
M.H. DOMINIQUE GALEA
CHAIRPERSON (Non-Executive)

Mr Galea, holds a "Hautes Etudes Commerciales" (HEC) degree. He started his career in the textile industry in the early 1980's by setting up an agency business, Kasa Textile & Co Ltd.

He has since diversified his activities by acquiring stakes in companies in various sectors of the economy.

ISMAEL I. BAHEMIA
(Independent Non-Executive)

Mr. Bahemia is a fellow of The Institute of Chartered Accountants in England & Wales and Mauritius Institute of Directors. He is also registered as professional accountant and public accountant in practice with the Mauritius Institute of Professional Accountants. He is presently the CEO of Fideco Global Business Services Ltd, a company licensed by the Financial Services Commission to operate as an Offshore Management Company.



J. ALEXIS HAREL
(Non Executive)

Mr Harel holds a Bachelor in Science degree in Business Administration. He started his career in the audit department of De Chazal du Mée, Chartered Accountants, and then occupied managerial positions in the industrial and IT sectors.
He joined Grays & Co Ltd in 1992 and presently occupies the position of Commercial Director.

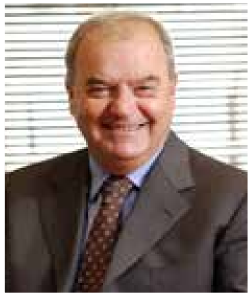
M. NADEEM LALLMAMODE
(Non-Executive Director)

Nadeem Lallmamode read law at the University of Wolverhampton and holds a Master's degree in international commercial law from the University of Nottingham, England. He was admitted to the Bar in Mauritius in 2006 and is a member of Clarel Benoit Chambers, a leading company law, financial services, and commercial litigation set in Mauritius. Nadeem focuses on fund work, financial services and securities law, intellectual property and competition law. He also lectures in company law, insolvency and bankruptcy for the Law Practitioners Vocational Course

3. DIRECTORS' PROFILE (CONTINUED)

MRS L. M. C. MICHELE LIONNET
(Independent Non-Executive)

Mrs Lionnet holds a Diploma in Business Management from the University of Surrey (UK) and currently acts as Executive Director of Junior Achievement in Mauritius. She started her career in a private commercial firm in which she occupied the position of Administrative Manager during 15 years.
She then occupied executive managerial and marketing positions in organisations located both in Mauritius and Madagascar.



M. E. CYRIL MAYER
(Non-Executive)

Mr Mayer holds a Bachelor in Commerce (South Africa) and is a member of the Institute of South African Chartered Accountants. He is presently the Managing Director of Terra Mauricia Ltd, a member of the Mauritius Sugar Syndicate and the Mauritius Sugar Producers Association's Executive Committees.
He has also served on the Joint Economic Council, the Mauritius Chamber of Agriculture, the Mauritius Sugar Industry Research Institute and the Mauritius Employers' Federation.

K. H. BERNARD WONG PING LUN
(Non-Executive)

Mr Wong holds a Bachelor in Science degree in Economics and is a Certified Chartered Accountant. He is currently the Financial Director of a number of private companies.

NITIN PANDEA
MANAGING DIRECTOR (Executive)

Nitin Pandea started his career in the banking sector and worked for HSBC and Barclays prior to joining the Board of Investment, where he has more than 12 years' experience . He was appointed MD of United Docks in Feb 2015. Nitin holds a BA (Hons) Economics, an MSc E-Business and has also followed an Advanced Management Programme from ESSEC Business School.
He is a Chartered Accountant, Fellow of the Association of Chartered Certified Accountants and also a member of the Mauritius Institute of Professional Accountants.

4. DIRECTORS – ATTENDANCE AT MEETINGS & INTEREST IN THE SHARE CAPITAL

The table below shows the Directors of the Company and their attendance at meetings for the year ended June 30, 2015. It also shows their direct and indirect interests in the share capital of the Company as at June 30, 2015.

Mr N Pandea is the new Managing Director with effect from 1 February 2015, replacing Mr JC Baissac who then left the Company on March 31, 2015.

Name	From	To	Attendance at meetings			Interest in shares			
			Board	Audit Committee	Corporate Governance Committee	Direct		Indirect	
			4	5	2	No of shares	% holding	No of shares	% holding
Directors in office									
M. H. Dominique Galea	17-Oct-06		4/4		1/2			2,153,818	20.396
Ismael I Bahemia	09-May-12		4/4	5/5	2/2			520	0.0049
G. Jean Claude Baissac	20-Nov-07	31-Mar-15	3/4					13,100	0.1241
J. Alexis Harel	17-Oct-06		4/4	5/5				-	-
Nitin Pandea	01-Feb-15		1/4					-	-
L. M. C.Michele Lionnet	29-Dec-06		3/4		2/2	86,876	0.8227	1,526	0.0145
M. E. Cyril Mayer	17-Oct-06		3/4					914	0.0087
K.H. Bernard Wong Ping Lun	17-Oct-06		3/4	4/5				-	-

The Directors of the Company follow the principles of the Model Code for Securities Transactions as detailed in Appendix 6 of the Mauritius Stock Exchange Listing Rules.

Ducray Lenoir (Investments) Ltd in which Mr M. H. Dominique Galea has a beneficial interest, acquired 31,857 shares in the Company during the year ended 30 June 2015.

Terra Mauricia Ltd of which Mr M.E. Cyril Mayer is the Managing Director and where he has an interest, increased its shareholding from 5.83% last year to 5.95% through acquisition of shares in the Company during the year ended 30 June 2015.

Other than the above, the directors did not transact in the shares of the Company during the year ended 30 June 2015

5. DIRECTORSHIPS OF THE BOARD MEMBERS IN OTHER LISTED COMPANIES AS AT 30 JUNE 2015

Directors	Listed Companies
M.H Dominique Galea *(Chairperson)*	Forges Tardieu Ltd, Mauritius Union Assurance Co Ltd, Ascencia Ltd
Ismael I Bahemia	None
Nitin Pandea *(Managing Director)*	None
J. Alexis Harel	Lux Island Resorts Ltd, Terra Mauricia Ltd
L.M.C. Michèle Lionnet	None
M.E. Cyril Mayer	Terra Mauricia Ltd, Forges Tardieu Ltd, Swan Insurance Co Ltd
K.H. Bernard Wong Ping Lun	Forges Tardieu Ltd

6. DIRECTORS OF SUBSIDIARIES AT 30 JUNE 2015

	United Properties Ltd	UDL Investments Ltd	United Docks (Overseas Investments) Ltd	Uptown Development Co Ltd
M. E. Cyril Mayer	✓	✓	✓	✓
M. H. Dominique Galea	✓	✓	✓	✓
K.H. Bernard Wong Ping Lun	-	-	✓	✓

7. REMUNERATION POLICY

The Corporate Governance Committee is responsible for determining the remuneration of Directors and Senior Management.

The Company's policy is to set an appropriate level of remuneration to attract, retain and motivate high calibre personnel and Directors. Senior Management are rewarded for their contribution towards the achievement of the Company's objectives and performance, whilst taking into account current market conditions.

The Directors are remunerated for their knowledge, experience and insight given to Board and Committees.

Directors' fees are as follows:-

- Chairperson: Rs. 60,000 annual fee + Rs. 7,500 per attendance at Board or Committee meetings.
- Directors: Rs. 40,000 annual fee + Rs. 5,000 per attendance at Board or Committee meetings.

8. DIRECTORS' REMUNERATION

The table below shows the remuneration and benefits received by the Executive Director and the remuneration received by the Non-Executive Directors who were in office from July 01, 2014 to June 30, 2015.

	Company		Subsidiaries		Other related corporations	
	2015 Rs 000	**2014** Rs 000	**2015** Rs 000	**2014** Rs 000	**2015** Rs 000	**2014** Rs 000
Executive Director	**5,606**	**3,038**	-	-	-	-
Non-Executive Directors	**528**	**485**	-	-	-	-
	6,134	3,523	-	-	-	-

9. BOARD AND COMMITTEES

The Board is the focal point of the corporate governance system and is ultimately accountable and responsible for the performance and affairs of the Company. It is committed to achieving success for the Company and sets the Company's values and standards to ensure that its obligations to the shareholders are met.

At June 30, 2015 the Board consisted of 7 Directors, out of which 2 were independent and 1 was Executive. The Chairperson is M. H. Dominique Galea.

The Directors are required to make full and timely disclosure in writing to the Board of any conflicts or potential conflicts. They are free from any conflicting interests and relationships that can affect their ability to exercise independent judgement.

The role of the Chairperson and that of the Executive are separate. The Chairperson has no executive or management responsibilities and acts as Chairperson of meetings of the Board and of shareholders.

The Managing Director, who is also the Executive Director, has the day to day responsibility for the Company's operations, implementing the strategies and policies decided by the Board.

The Non-Executive Directors play a vital role in providing independent judgement in all circumstances and protecting the interest of the shareholders of the Company. As part of their role they constructively challenge and help in developing proposals on strategy through their range of knowledge, experience and insight from other sectors.

The Independent Non-Executive Directors bring a wide range of experience and skills to the Board. They are free from any business or other relationships which would materially affect their ability to exercise independent judgment.

10. DIRECTORS' SELECTION, TRAINING AND DEVELOPMENT

The Board recognizes that its Directors have a diverse range of experience, and encourages them to attend external seminars and briefings that will assist them individually.

11. BOARD AND DIRECTOR APPRAISAL

The Directors have been evaluated collectively as a Board last year and the next evaluation of the Board and Directors' performance will be carried out in 2016.

Corporate Governance Committee

Chairperson : **M. H. Dominique Galea**
Members : **Ismael I Bahemia**
: **L.M.C. Michèle Lionnet**

The Committee met on two occasions during the financial year, and operates as per the guidelines of the Code of Corporate Governance for Mauritius.

UNITED DOCKS LTD AND ITS SUBSIDIARIES
CORPORATE GOVERNANCE REPORT

The duties and responsibilities of the Corporate Governance Committee encompass those of the Remuneration Committee and Nomination Committee and include namely:

- The review of the Constitution and Board structure of the Company in the light of good corporate governance;
- Identification of areas of compliance and areas of non compliance with good corporate governance and to report to the Board accordingly;
- Assisting the Board in the implementation of good corporate governance;
- Ensuring that the Company's Annual Report complies with good corporate governance.

The Corporate Governance Committee recognises that it is essential that the Board comprises of an appropriate balance of Executive, Non-Executive and Independent directors who can bring the right blend of knowledge, skills, objectivity, experience and commitment to the Board. The Company currently has a limited number of staff and the Board considers that none of present staff members has the necessary level of competence to properly fulfill the duties and responsibilities of a second executive director as required by the Code of Corporate Governance.

The Corporate Governance Committee addressed, amongst others, the following matters during the year:

- Review of the current legal matters
- Drafting of the Corporate Governance Report for the year ended June 30, 2015
- Board composition and future recommendations

Audit Committee

Chairperson : **Ismael I Bahemia**
Members : **J. Alexis Harel**
: **K.H. Bernard Wong Ping Lun**

The Committee met five times during the financial year and as per the guidelines of the Code of Corporate Governance.

The duties and responsibilities of the Audit Committee are namely:

- To recommend to the Board which firm would be appointed as external auditors;
- To review the quality of financial information, interim and annual financial statements and other public, regulatory reporting prior to submission and approval by the Board;
- To monitor and supervise the internal control procedures, ensuring that the role and function of each employee are well understood and co-ordinated so as to provide an objective overview of the operational effectiveness of the Company's systems of internal control and reporting;

The Audit Committee addressed, amongst others, the following matters during the year:

- Review of the quarterly results and annual report and Financial Statements for the year ended June 30, 2015 for submission to the Board for approval;
- Review of audit quotes and recommendations for the appointment of the auditors.

12. COMPANY SECRETARY

The Company Secretary to the Board and its Committees is Executive Services Ltd. All directors have access to the services and advice of the Company Secretary who is responsible for ensuring good information flows with the Board and its Committees.

The Company Secretary is responsible for advising the Board on corporate governance matters and for generally keeping the Board up to date on all legal and regulatory aspects.

13. SHAREHOLDERS' AGREEMENT

The directors are not aware of any agreement in existence among the shareholders of the Company as at June 30, 2015.

14. MATERIAL CLAUSES OF THE COMPANY'S CONSTITUTION

The Company's Constitution does not have any material clause.

15. MANAGEMENT CONTRACT

The Directors are not aware of any management contract of significant importance between the Company and third parties.

16. SHARE OPTION PLAN

The Company has no share option plan.

17. DIVIDEND POLICY

The payment of dividends is subject to the performance of the Company, its cash flow and investments requirements.

18. DONATIONS

The Company and its subsidiaries made no donation during the year.

UNITED DOCKS LTD AND ITS SUBSIDIARIES
CORPORATE GOVERNANCE REPORT

19. AUDITORS

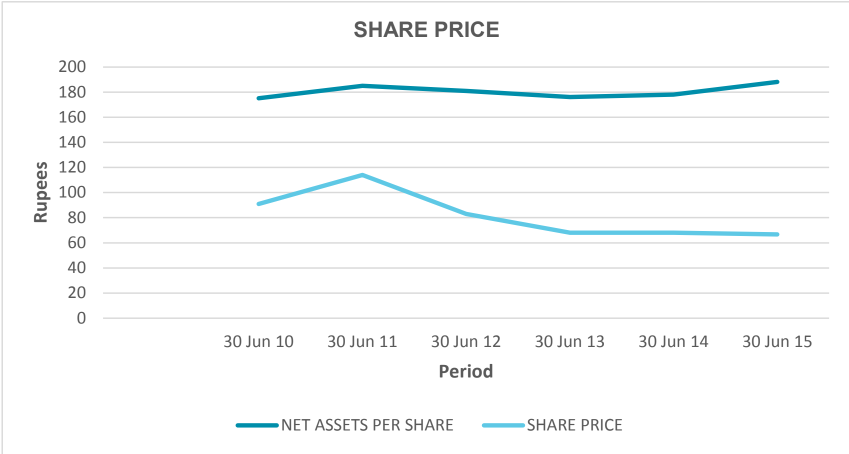
The fees paid to the auditors Ernst & Young for audit and other services were:

	Group		Company	
	2015 Rs 000	2014 Rs 000	2015 Rs 000	2014 Rs 000
Audit Services	592	552	440	429
Tax Services	64	74	28	28
	656	626	468	457

20. SHARE PRICE INFORMATION

The graph and table below depict the share price compared to the net asset value of the Company.

PERIOD	30-Jun 2010	30-Jun 2011	30-Jun 2012	30-Jun 2013	30-Jun 2014	30-Jun 2015
AMOUNT	Rs	Rs	Rs	Rs	Rs	Rs
NET ASSETS PER SHARE	175	185	181	176	178	188
SHARE PRICE	91	114	83	68	68	66.75



21. INTERNAL CONTROL AND RISK MANAGEMENT

The Board recognises that it is responsible for the Group's system of internal control, which includes financial controls, operational controls and risk management, and for reviewing its effectiveness at regular intervals.

In view of the nature of the business and the relatively low volume transacted, the Board considers that it is not important to establish an internal audit function since it is satisfied that the existing measures provide assurance on the operation and effectiveness of internal controls and risk management.

The key features identified by the Audit Committee to provide an objective overview of the operational effectiveness of the Group's system of internal control and reporting include:

- Review adequacy of corrective action taken in response to significant internal control weaknesses identified
- Maintain proper and adequate accounting records
- Maintain a comprehensive system of financial reporting and forecasting
- Safeguard the Group's assets against unauthorised use of disposal
- Establish an organisational structure with clearly-defined levels of authority and division of responsibilities
- Meet the Managing Director and heads of departments to review all operational aspects of the business and risk management systems

The Audit Committee also identified the following major risks:

- Market risk which includes three types of risks:
  - Interest risks – the risk that the value of a financial instrument will fluctuate because of changes in market interest rate
  - Currency risk – the risk that the value of a financial instrument will fluctuate due to an exposure to changes in foreign exchange
  - Price risk – the risk that the value of a financial instrument will fluctuate as a result of changes in market prices
- Credit risk – the risk that customers default on payment
- Treasury risk – the risk that the group is faced with cash flow pressure
- Regulatory risk – the risk that changes in legislation or regulations can impact negatively on the Group's operations

22. RELATED PARTY TRANSACTIONS

Transactions with related parties are disclosed in note 22 of the financial statements.

UNITED DOCKS LTD AND ITS SUBSIDIARIES
CORPORATE GOVERNANCE REPORT

23. CODE OF ETHICS

The Company values ethical conducts in dealing with all its stakeholders and has adopted a Code of Ethics since 2014.

24. SAFETY, HEALTH, ENVIRONMENT AND SOCIAL ISSUES

The Company ensures that its operations are conducted in ways that minimize their impact on the environment and society at large and sustains social harmony through its employment policies.

The Company is satisfied that all its administrative staff and operatives work in a healthy environment.

The Company follows the advice and recommendations of the Health and Safety Consultant.

25. SHAREHOLDERS COMMUNICATION AND EVENTS

The Company considers that it is important to maintain accountability and transparency to its shareholders and stakeholders through effective communication.

The Company communicates with its shareholders through press communiqué, publication of quarterly results, its annual report and at annual meeting of shareholders.

Key events for the period to the next Annual Meeting of Shareholders to be held in 2016 are set out below:-

EVENTS	DATES
Publication of abridged accounts:	
· Quarter ended September 30, 2015	November 15, 2015
· Quarter ended December 31,2015	February 15, 2016
· Quarter ended March 31, 2016	May 15, 2016
Publication of the abridged audited financial statements for year ended June 30, 2016	September 30, 2016
Publication of abridged accounts for quarter ended September 30, 2016	November 15, 2016
Circulation of Annual Report 2016	November 1, 2016
Annual Meeting 2016	November / December 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the Directors to prepare financial statements for each financial year which present fairly the financial position, financial performance, changes in equity and cash flows of the Company. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether International Financial Reporting Standards have been followed,subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2001.

They are also responsible for safeguarding the assets of the Company and hence for the implementation and operations of the accounting and internal control systems that are designed to prevent and detect fraud and an effective risk management system.

Approved by the Board of Directors on **30 September 2015** and signed on its behalf by:

Director　　　　Director

CERTIFICATE OF COMPLIANCE

(Section 75(3) of the Financial Reporting Act)

Name of PIE : United Docks Ltd

Reporting Period : 1st July 2014 to 30th June 2015

We, the Directors of United Docks Ltd ('PIE'), confirm that to the best of our knowledge that the PIE has complied with most of its obligations and requirements under the Code of Corporate Governance, except for Section 2.3: Role and Function of the Chief Executive Officer.

The Company has not appointed a Chief Executive Officer as the current Managing Director is involved in the day-to-day management of the business and recommend to the board annual business plans and budgets that support the company's long-term strategy, Given the size and nature of the business, the Board does not consider the appointment of a Chief Executive Officer to be cost effective.

Director　　　　Director

Date: **30 September 2015**

We certify that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies, for the financial year June 30, 2015, all such returns as are required of the Company under the Companies Act 2001.

Executive Services Ltd.
Company Secretary

Date : 30 September 2015

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNITED DOCKS LTD AND ITS SUBSIDIARIES

Report on the Financial Statements

We have audited the financial statements of United Docks Ltd (the "Company") and its subsidiaries (the "Group") on pages 26 to 85 which comprise the statements of financial position as at June 30, 2015 and the 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 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 about 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNITED DOCKS LTD AND ITS SUBSIDIARIES (CONTINUED)

Basis for qualified opinion

As stated in note 7, the Directors have not been able to assess the potential impairment of the investment in Societe Libra due to inability to obtain any financial information regarding the investment. This is a result of a legal dispute which arose in prior years. On the other hand, the fair value of investment held by AXYS Group Ltd has been based on financial information from June 30, 2014 as a starting point, which is not the latest available information as at June 30, 2015. This is the result of legal disputes which arose between United Docks Limited and the related parties in prior years.

We were therefore unable to obtain sufficient appropriate audit evidence regarding the carrying value of the Available-for-Sale investments in Societe Libra and Axys Group Ltd as at June 30, 2015 to the value of Rs. 227,456,040.

These matters also caused us to qualify our opinion in the prior year with regards to the Available for Sale investments. Since opening balances enter into the determination of the financial performance and cash flows, we were unable to determine whether adjustments might have been necessary in respect of the Net gain or loss in fair value of Available for Sale investments for the year ended 30 June 2015 in the Statement of Comprehensive Income and the net cash flows from operating activities reported in the Statement of Cash Flows. Our opinion on the current period's financial statements is also modified because of the possible effect of this matter on the comparability of the current period's figures and corresponding figures.

Qualified opinion

In our opinion, except for the effects of matter described in the Basis for Qualified Opinion paragraph, the financial statements on pages 26 to 85 give a true and fair view of the financial position of the Company and the Group as at June 30, 2015 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

Other matter

This report has been prepared solely for the Company's members, 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.

UNITED DOCKS LTD AND ITS SUBSIDIARIES
INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNITED DOCKS LTD AND ITS SUBSIDIARIES (CONTINUED)

Report on Other Legal and Regulatory Requirements

Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditors and dealings in the ordinary course of business.

We have obtained all the information and explanations we have required.

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

Financial Reporting Act 2004

The directors are responsible for preparing the Corporate Governance Report and making disclosures required by Section 8.4 of the Code of Corporate Governance of Mauritius (the "Code"). Our responsibility is to report on these disclosures. In our opinion, the disclosures in the Corporate Governance Report are consistent with the requirements of the Code.

ERNST & YOUNG	DARYL CSIZMADIA, C.A. (S.A)
Ebène, Mauritius	Licensed by FRC

Date : 30 September 2015

STATEMENTS OF FINANCIAL POSITION AS AT JUNE 30, 2015

		THE GROUP		THE COMPANY	
	Notes	2015	2014	2015	2014
ASSETS		**Rs.**	Rs.	**Rs.**	Rs.
Non-current assets					
Property, plant and equipment	4	**2,701,480**	2,897,429	**2,701,480**	2,897,429
Investment properties	5	**1,849,573,280**	1,783,697,000	**783,529,280**	743,886,000
Investment in subsidiaries	6	**-**	-	**50,000**	150,000
Available-for-sale investments	7	**308,357,630**	269,765,697	**173,359,724**	134,767,791
Employee benefit assets	12	**3,076,822**	5,664,574	**3,076,822**	5,664,574
		2,163,709,212	2,062,024,700	**962,717,306**	887,365,794
Current assets					
Trade and other receivables	8	**17,175,047**	18,532,112	**889,344,339**	889,977,723
Cash at bank and on hand	9 (a)	**47,444**	947,295	**32,351**	24,686
		17,222,491	19,479,407	**889,376,690**	890,002,409
TOTAL ASSETS		**2,180,931,703**	2,081,504,107	**1,852,093,996**	1,777,368,203
EQUITY AND LIABILITIES					
Equity					
Stated capital	10	**105,600,000**	105,600,000	**105,600,000**	105,600,000
Share premium	10	**24,631,914**	24,631,914	**24,631,914**	24,631,914
Other reserves	10	**126,088,248**	85,359,415	**126,088,248**	85,359,415
Retained earnings		**1,724,052,234**	1,670,327,162	**1,395,353,589**	1,364,982,597
Equity attributable to owners of parent		**1,980,372,396**	1,885,918,491	**1,651,673,751**	1,580,573,926
Non controlling interests		**(95,700)**	(85,240)	**-**	-
Total equity		**1,980,276,696**	1,885,833,251	**1,651,673,751**	1,580,573,926
LIABILITIES					
Non-current liabilities					
Interest-bearing loans and borrowings	11	**20,062,429**	95,234,382	**20,062,429**	95,234,382
		20,062,429	95,234,382	**20,062,429**	95,234,382
Current liabilities					
Trade and other payables	13	**3,893,476**	6,495,391	**3,661,703**	7,688,615
Income tax liabilities	14 (b)	**80,524**	68,241	**80,524**	-
Interest-bearing loans and borrowings	11	**174,999,878**	92,861,420	**174,996,889**	92,859,858
Dividend payable	15	**1,618,700**	1,011,422	**1,618,700**	1,011,422
		180,592,578	100,436,474	**180,357,816**	101,559,895
Total liabilities		**200,655,007**	195,670,856	**200,420,245**	196,794,277
TOTAL EQUITY AND LIABILITIES		**2,180,931,703**	2,081,504,107	**1,852,093,996**	1,777,368,203

These financial statements have been approved for issue by the Board of Directors on **30 September 2015.**

Director

Director

The notes on pages 31 to 85 form an integral part of these financial statements

UNITED DOCKS LTD AND ITS SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - YEAR ENDED JUNE 30, 2015

		THE GROUP		THE COMPANY	
	Notes	2015	2014	2015	2014
		Rs.	Rs.	**Rs.**	Rs.
Revenue	21	**23,923,421**	26,237,452	**23,923,421**	25,564,702
Other income	16	**11,696,787**	552,688	**11,696,787**	552,688
Operating expenses		**(31,994,364)**	(17,240,899)	**(31,385,245)**	(16,867,502)
Operating profit	17	**3,625,844**	9,549,241	**4,234,963**	9,249,888
Net gain in fair value of investment properties	5	**65,876,280**	-	**39,643,280**	-
Finance costs	18	**(15,139,318)**	(14,783,603)	**(15,138,977)**	(14,911,373)
Profit / (loss) before tax		**54,362,806**	(5,234,362)	**28,739,266**	(5,661,485)
Income tax expense	14(c)	**(95,759)**	(222,082)	**(95,759)**	(68,016)
Profit / (loss) for the year		**54,267,047**	(5,456,444)	**28,643,507**	(5,729,501)
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Net gain in fair value of available-for-sale investments	7	**42,117,818**	23,479,222	**42,117,818**	23,479,222
Disposal of available-for-sale investment		**(1,388,985)**	(1,780,000)	**(1,388,985)**	(1,780,000)
		40,728,833	21,699,222	**40,728,833**	21,699,222
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**40,728,833**	21,699,222	**40,728,833**	21,699,222
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
Remeasurement (losses)/gains on defined benefit plans	12 (d)	**(2,492,337)**	3,831,491	**(2,492,337)**	3,831,491
Net other comprehensive income not being reclassified to profit or loss in subsequent periods		**(2,492,337)**	3,831,491	**(2,492,337)**	3,831,491
Other comprehensive income, net of tax		**38,236,496**	25,530,713	**38,236,496**	25,530,713
Total comprehensive income, net of tax		**92,503,543**	20,074,269	**66,880,003**	19,801,212
Profit / (loss) for the year attributable to:					
Equity holders of the parent		**54,277,507**	(5,440,404)	**28,643,507**	(5,729,501)
Non-controlling interests		**(10,460)**	(16,040)	**-**	-
		54,267,047	(5,456,444)	**28,643,507**	(5,729,501)
Total comprehensive gain attributable to:					
Equity holders of the parent		**92,514,003**	20,090,309	**66,880,003**	19,801,212
Non-controlling interests		**(10,460)**	(16,040)	**-**	-
		92,503,543	20,074,269	**66,880,003**	19,801,212
Earnings per share (Basic and diluted)	19	**5.14**	(0.74)	**2.71**	(0.54)

The notes on pages 31 to 85 form an integral part of these financial statements

THE GROUP

Attributable to equity holders of the company

	Stated capital (Note 10)	Share premium (Note 10)	Other reserves (Note 10)	Retained earnings	Total	Non-controlling interest	Total equity
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
At July 1, 2013	105,600,000	24,631,914	63,660,193	1,671,932,850	1,865,824,957	(65,865)	1,865,759,092
Other comprehensive income for the year	-	-	21,699,222	3,831,491	25,530,713	-	25,530,713
Loss for the year	-	-	-	(5,440,404)	(5,440,404)	(16,040)	(5,456,444)
Total comprehensive income for the year, net of tax	-	-	21,699,222	(1,608,913)	20,090,309	(16,040)	20,074,269
Acquisition of Minority interest				3,225	3,225	(3,335)	(110)
At June 30, 2014	105,600,000	24,631,914	85,359,415	1,670,327,162	1,885,918,491	(85,240)	1,885,833,251
At July 1, 2014	105,600,000	24,631,914	85,359,415	1,670,327,162	1,885,918,491	(85,240)	1,885,833,251
Amalgamation of Fanfaron Advertising				1,939,902	1,939,902	-	1,939,902
Other comprehensive income for the year	-	-	40,728,833	(2,492,337)	38,236,496	-	38,236,496
Profit for the year	-	-	-	54,277,507	54,277,507	(10,460)	54,267,047
Total comprehensive income for the year, net of tax	-	-	40,728,833	51,785,170	92,514,003	(10,460)	92,503,543
At June 30, 2015	**105,600,000**	**24,631,914**	**126,088,248**	**1,724,052,234**	**1,980,372,396**	**(95,700)**	**1,980,276,696**

The notes on pages 31 to 85 form an integral part of these financial statements.

THE COMPANY

	Stated capital (Note 10)	Share premium (Note 10)	Other reserve (Note 10)	Retained earnings	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
At July 1, 2013	105,600,000	24,631,914	63,660,193	1,366,880,607	1,560,772,714
Other comprehensive income for the year	-	-	21,699,222	3,831,491	25,530,713
Loss for the year	-	-	-	(5,729,501)	(5,729,501)
Total comprehensive income for the year, net of tax	-	-	21,699,222	(1,898,010)	19,801,212
At June 30, 2014	105,600,000	24,631,914	85,359,415	1,364,982,597	1,580,573,926
At July 1, 2014	105,600,000	24,631,914	85,359,415	1,364,982,597	1,580,573,926
Amalgamation of Fanfaron Advertising Limited	-	-	-	4,219,822	4,219,822
Other comprehensive income for the year	-	-	40,728,833	(2,492,337)	38,236,496
Profit for the year	-	-	-	28,643,507	28,643,507
Total comprehensive income for the year, net of tax	-	-	40,728,833	26,151,170	66,880,003
At June 30, 2015	**105,600,000**	**24,631,914**	**126,088,248**	**1,395,353,589**	**1,651,673,751**

The notes on pages 31 to 85 form an integral part of these financial statements.

		THE GROUP		THE COMPANY	
	Notes	2015	2014	2015	2014
		Rs.	Rs.	Rs.	Rs.
Operating activities					
Profit/(loss) before tax		54,362,806	(5,234,362)	28,739,266	(5,661,485)
Adjustments for:					
- Depreciation of property, plant and equipment	4,17	725,185	657,606	725,185	657,606
- Profit on disposal of property, plant and equipment	17	36,122	-	36,122	-
- Employee benefit assets		95,415	65,437	95,415	65,437
- Finance cost	18	15,139,318	14,783,603	15,138,977	14,911,373
Increase in fair value of investment properties	5	(65,876,280)	-	(39,643,280)	-
- Profit on disposal of available-for-sale investments	16	(1,348,437)	(552,688)	(1,348,437)	(552,688)
		3,134,129	9,719,596	3,743,248	9,420,243
Working capital adjustments:					
-Decrease in trade and other receivables		1,357,065	1,321,160	633,383	923,313
- Increase/(decrease) in trade and other payables		(65,471)	68,869	957,694	178,521
		4,425,723	11,109,625	5,334,325	10,522,077
Income tax paid		(72,741)	(279,869)	(72,741)	(68,016)
Net cash flows generated from operating activities		4,352,982	10,829,756	5,261,584	10,454,061
Investing activities					
Proceeds from sale of available-for-sale investments		3,485,337	3,980,688	3,485,337	3,980,688
Acquisition of plant and equipment	4	(1,087,096)	(1,611,133)	(1,087,096)	(1,611,133)
Proceeds from disposal of plant and equipment		521,739	-	521,739	-
Net cash flows generated from investing activities		2,919,980	2,369,555	2,919,980	2,369,555
Financing activities					
Proceeds from borrowings		263,500	25,000,000	263,500	25,000,000
Repayment of loans		(1,633,500)	(8,332,039)	(1,633,500)	(8,332,039)
Repayment of finance lease liability		(157,206)	(155,128)	(157,206)	(155,128)
Dividends paid	15	-	(3,893)	-	(3,893)
Interest paid	18	(15,139,318)	(14,783,603)	(15,138,977)	(14,911,373)
Net cash flows generated from/ (used in) financing activities		(16,666,524)	1,725,337	(16,666,183)	1,597,567
Net (decrease)/ increase in cash		(9,393,562)	14,924,648	(8,484,619)	14,421,183
At July 1,		(90,386,919)	(105,311,567)	(91,307,966)	(105,729,149)
At June 30,	9(b)	(99,780,481)	(90,386,919)	(99,792,585)	(91,307,966)

The notes on pages 31 to 85 form an integral part of these financial statements.

1. CORPORATE INFORMATION

United Docks Ltd is a public company incorporated and domiciled in the Republic of Mauritius and its shares are listed on the Stock Exchange of Mauritius. Its registered office is situated at United Docks Building, Kwan Tee Street, Port Louis.

The financial statements of United Docks Ltd (the Company) and its subsidiaries (the Group) for the year ended June 30, 2015 have been authorised for issue by the Board of Directors on the date stamped on page 26.

The Group's main activities consist of real estate holdings and development, management of investments and renting of warehouses and offices.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements of the Group and Company have been prepared on a historical cost basis, except for investment properties and available-for-sale investments which are measured at fair value as disclosed in the accounting policies hereafter. The financial statements are presented in Mauritian rupees (Rs) and all values are rounded to nearest rupee, except where otherwise indicated.

Statement of compliance

The financial statements of United Docks Ltd and its subsidiaries have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Basis of consolidation

The financial statements comprise the financial statements of United Docks Ltd and its subsidiaries as at 30 June 2015. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

2.1 BASIS OF PREPARATION (CONTINUED)

Basis of consolidation (Continued)

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are consolidated from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to statement of profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year, except for the following amendments to IFRS effective as of July 01, 2014:

	Effective for accounting period beginning on or after
- IAS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities	January 01, 2014
- Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)	January 01, 2014
- Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36)	January 01, 2014
- Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39)	January 01, 2014
- Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)	July 01, 2014
- Annual Improvements 2010-2012 Cycle	July 01, 2014
- Annual Improvements 2011-2013 Cycle	July 01, 2014
- IFRIC 21 Levies	January 01, 2014

IAS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities – effective 1 January 2014

This amendment to IAS 32 Financial Instruments: Presentation was made to clarify certain aspects because of diversity in application of the requirements on offsetting thereby focusing on four main areas:

- The meaning of 'currently has a legally enforceable right of set-off';
- The application of simultaneous realisation and settlement;
- The offsetting of collateral amounts; and
- The unit of account for applying the offsetting requirements.

This amendment had no impact on the financial position or performance of the Group.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27) – effective January 01, 2014

These amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements were made to:

- Provide 'investment entities' (as defined) an exemption from the consolidation of particular subsidiaries and instead require that an investment entity measure the investment in each eligible subsidiary at fair value through profit or loss in accordance with IFRS 9 Financial Instruments or IAS 39 Financial Instruments: Recognition and Measurement;

- Require additional disclosure about why the entity is considered an investment entity, details of the entity's unconsolidated subsidiaries, and the nature of relationship and certain transactions between the investment entity and its subsidiaries; and

- Require an investment entity to account for its investment in a relevant subsidiary in the same way in its consolidated and separate financial statements (or to only provide separate financial statements if all subsidiaries are unconsolidated).

These amendments did not have an impact as the Group is not considered to be an investment entity.

Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36) – effective January 01, 2014

IAS 36 Impairment of Assets was amended to reduce the circumstances in which the recoverable amount of assets or cash-generating units is required to be disclosed, clarify the disclosures required, and to introduce an explicit requirement to disclose the discount rate used in determining impairment (or reversals) where recoverable amount (based on fair value less costs of disposal) is determined using a present value technique.

These amendments did not have an impact as there was no impairment during the year.

Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39) – effective January 01, 2014

The amendments to IAS 39 Financial Instruments: Recognition and Measurement were made to clarify that there is no need to discontinue hedge accounting if a hedging derivative is novated, provided certain criteria are met.

A novation indicates an event where the original parties to a derivative agree that one or more clearing counterparties replace their original counterparty to become the new counterparty to each of the parties. In order to apply the amendments and continue hedge accounting, novation to a central counterparty (CCP) must happen as a consequence of laws or regulations or the introduction of laws or regulations.

The Group did not enter into any hedge arrangement which required additional disclosure.

UNITED DOCKS LTD AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2015

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

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

The amendment was made to clarify the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service. In addition, it permits a practical expedient if the amount of the contributions is independent of the number of years of service, in that contribution, can, but are not required, to be recognised as a reduction in the service cost in the period in which the related service is rendered.

This new interpretation had no impact on the Group.

Annual Improvements 2010-2012 Cycle - effective July 01, 2014

The annual improvements 2010-2012 Cycle make amendments to the following standards:

- IFRS 2 - Amends the definitions of 'vesting condition' and 'market condition' and adds definitions for 'performance condition' and 'service condition';
- IFRS 3 - Require contingent consideration that is classified as an asset or a liability to be measured at fair value at each reporting date;
- IFRS 8 - Requires disclosure of the judgements made by management in applying the aggregation criteria to operating segments, clarify reconciliations of segment assets only required if segment assets are reported regularly;
- IFRS 13 - Clarify that issuing IFRS 13 and amending IFRS 9 and IAS 39 did not remove the ability to measure certain short-term receivables and payables on an undiscounted basis (amends basis for conclusions only);
- IAS 16 and IAS 38 - Clarify that the gross amount of property, plant and equipment is adjusted in a manner consistent with a revaluation of the carrying amount; and
- IAS 24 - Clarify how payments to entities providing management services are to be disclosed.

This new interpretation had no impact on the Group.

Annual Improvements 2011-2013 Cycle

The annual improvements 2011-2013 Cycle make amendments to the following standards:

- IFRS 1 - Clarify which versions of IFRSs can be used on initial adoption (amends basis for conclusions only);
- IFRS 3 - Clarify that IFRS 3 excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself;
- IFRS 13 - Clarify the scope of the portfolio exception in paragraph 52; and
- IAS 40 - Clarifying the interrelationship of IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property.

This new interpretation had no impact on the Group.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

IFRIC 21 Levies - effective January 01, 2014

Provides guidance on when to recognise a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets and those where the timing and amount of the levy is certain.

The Interpretation identifies the obligating event for the recognition of a liability as the activity that triggers the payment of the levy in accordance with the relevant legislation.

It provides the following guidance on recognition of a liability to pay levies:

- The liability is recognised progressively if the obligating event occurs over a period of time; and
- If an obligation is triggered on reaching a minimum threshold, the liability is recognised when that minimum threshold is reached.

This new interpretation had no impact on the Group.

UNITED DOCKS LTD AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2015

2.3 ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

Standards and interpretations issued but not yet effective up to the date of issuance of the Group's financial statements are listed below. This listing is of standards and interpretations issued, which the Group reasonably expects to be applicable at a future date.

The Group intends to adopt those standards when they become effective.

	Effective for accounting period beginning on or after
- IFRS 9 Financial Instruments – Classification and measurement of financial assets, Accounting for financial liabilities and derecognition, impairment and hedging	January 01, 2018
- Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28)	January 01, 2016
- Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)	January 01, 2016
- IFRS 14 Regulatory Deferral Accounts	January 01, 2016
- IFRS 15 Revenue from Contracts with Customers	January 01, 2018
- Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)	January 01, 2016
- Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)	January 01, 2016
- Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41)	January 01, 2016
- Amendments to IAS 27: Equity Method in Separate Financial Statement	January 01, 2016
- Annual improvements 2012 – 2014 Cycle	July 01, 2016
- Disclosure initiative – Amendments to IAS 1	January 01, 2016

2.3 ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

IFRS 9 Financial Instruments – Classification and measurement of financial assets, Accounting for financial liabilities and derecognition – January 01, 2018

IFRS 9 introduces new requirements for classifying and measuring financial assets, as follows:

Classification and measurement of financial assets

All financial assets are measured at fair value on initial recognition, adjusted for transaction costs if the instrument is not accounted for at fair value through profit or loss (FVTPL). Debt instruments are subsequently measured at FVTPL, amortised cost or fair value through other comprehensive income (FVOCI), on the basis of their contractual cash flows and the business model under which the debt instruments are held. There is a fair value option (FVO) that allows financial assets on initial recognition to be designated as FVTPL if that eliminates or significantly reduces an accounting mismatch. Equity instruments are generally measured at FVTPL. However, entities have an irrevocable option on an instrument-by-instrument basis to present changes in the fair value of non-trading instruments in other comprehensive income (OCI) (without subsequent reclassification to profit or loss).

Classification and measurement of financial liabilities

For financial liabilities designated as FVTPL using the FVO, the amount of change in the fair value of such financial liabilities that is attributable to changes in credit risk must be presented in OCI. The remainder of the change in fair value is presented in profit or loss, unless presentation of the fair value change in respect of the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. All other IAS 39 Financial Instruments: Recognition and Measurement classification and measurement requirements for financial liabilities have been carried forward into IFRS 9, including the embedded derivative separation rules and the criteria for using the FVO.

Impairment

The impairment requirements are based on an expected credit loss (ECL) model that replaces the IAS 39 incurred loss model. The ECL model applies to: debt instruments accounted for at amortised cost or at FVOCI; most loan commitments; financial guarantee contracts; contract assets under IFRS 15; and lease receivables under IAS 17 Leases. Entities are generally required to recognise either 12-months' or lifetime ECL, depending on whether there has been a significant increase in credit risk since initial recognition (or when the commitment or guarantee was entered into). For some trade receivables, the simplified approach may be applied whereby the lifetime expected credit losses are always recognised.

UNITED DOCKS LTD AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2015

2.3 ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

Hedge accounting

Hedge effectiveness testing is prospective, without the 80% to 125% bright line test in IAS 39, and, depending on the hedge complexity, can be qualitative. A risk component of a financial or non-financial instrument may be designated as the hedged item if the risk component is separately identifiable and reliably measureable. The time value of an option, any forward element of a forward contract and any foreign currency basis spread, can be excluded from the designation as the hedging instrument and accounted for as costs of hedging. More designations of groups of items as the hedged item are possible, including layer designations and some net positions.

The application of IFRS 9 may change the measurement and presentation of many financial instruments, depending on their contractual cash flows and business model under which they are held. The impairment requirements will generally result in earlier recognition of credit losses. The new hedging model may lead to more economic hedging strategies meeting the requirements for hedge accounting.

The directors will assess the impact of the amendments when they become effective.

Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28) - effective January 01, 2016

This amendment to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) was made to clarify the treatment of the sale or contribution of assets from an investor to its associate or joint venture, as follows:

- it requires full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 Business Combinations); and
- it requires the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognised only to the extent of the unrelated investors' interests in that associate or joint venture.

These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occurs by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

The directors will assess the impact of the amendments when they become effective.

2.3 ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28) - effective January 01, 2016

This amendment to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investments in Associates and Joint Ventures (2011) was made to address issues that have arisen in the context of applying the consolidation exception for investment entities by clarifying the following points:

- The exemption from preparing consolidated financial statements for an intermediate parent entity is available to a parent entity that is a subsidiary of an investment entity, even if the investment entity measures all of its subsidiaries at fair value.
- A subsidiary that provides services related to the parent's investment activities should not be consolidated if the subsidiary itself is an investment entity.
- When applying the equity method to an associate or a joint venture, a non-investment entity investor in an investment entity may retain the fair value measurement applied by the associate or joint venture to its interests in subsidiaries.
- An investment entity measuring all of its subsidiaries at fair value provides the disclosures relating to investment entities required by IFRS 12.

The amendment will not have an impact on the Group as it is not considered as an Investment

IFRS 14 Regulatory Deferral Accounts - effective January 01, 2016

IFRS 14 permits an entity which is a first-time adopter of International Financial Reporting Standards to continue to account, with some limited changes, for 'regulatory deferral account balances' in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements.

This new standard will not have an impact, as the Group is not a first time adopter of IFRS.

IFRS 15 Revenue from Contracts with Customers - effective January 01, 2017

IFRS 15 provides a single, principles based five-step model to be applied to all contracts with customers.

The five steps in the model are as follows:

- Identify the contract with the customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contracts; and
- Recognise revenue when (or as) the entity satisfies a performance obligation.

2.3 ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

IFRS 15 Revenue from Contracts with Customers - effective January 01, 2017 (Continued)

Guidance is provided on topics such as the point in which revenue is recognised, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced.

The Group is still assessing the impact of this new standard, but it is not expected to have a significant effect on financial performance. There may be an impact on the level of disclosure provided.

Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11) - effective January 01, 2016

Amends IFRS 11 Joint Arrangements to require an acquirer of an interest in a joint operation in which the activity constitutes a business (as defined in IFRS 3 Business Combinations) to:

- Apply all of the business combinations accounting principles in IFRS 3 and other IFRSs, except for those principles that conflict with the guidance in IFRS 11

- Disclose the information required by IFRS 3 and other IFRSs for business combinations.

The amendments apply both to the initial acquisition of an interest in joint operation, and the acquisition of an additional interest in a joint operation (in the latter case, previously held interests are not remeasured).

The amendment will not have an impact since the Group does not have any interests in joint operations.

Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38) - effective January 01, 2016

Amends IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets to:

- Clarify that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate for property, plant and equipment;
- Introduce a rebuttable presumption that an amortisation method that is based on the revenue generated by an activity that includes the use of an intangible asset is inappropriate, which can only be overcome in limited circumstances where the intangible asset is expressed as a measure of revenue, or when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated; and

2.3 ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38) - effective January 01, 2016 (Continued)

- Add guidance that expected future reductions in the selling price of an item that was produced using an asset could indicate the expectation of technological or commercial obsolescence of the asset, which, in turn, might reflect a reduction of the future economic benefits embodied in the asset.

The amendment will not have an impact since the Group does not use a depreciation method based on revenue for its plant and equipment and intangible assets.

Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41) - effective January 01, 2016

Amends IAS 16 - Property, Plant and Equipment and IAS 41 - Agriculture to:

- Include 'bearer plants' within the scope of IAS 16 rather than IAS 41, allowing such assets to be accounted for a property, plant and equipment and measured after initial recognition on a cost or revaluation basis in accordance with IAS 16;
- Introduce a definition of 'bearer plants' as a living plant that is used in the production or supply of agricultural produce, is expected to bear produce for more than one period and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales; and
- Clarify that produce growing on bearer plants remains within the scope of IAS 41.

The amendment will not have an impact as the Group does not recognise 'bearer plants'.

Amendments to IAS 27: Equity Method in Separate Financial Statements - effective January 01, 2016

The amendments will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. Entities already applying IFRS and electing to change to the equity method in its separate financial statements will have to apply that change retrospectively.
For first-time adopters of IFRS electing to use the equity method in its separate financial statements, they will be required to apply this method from the date of transition to IFRS. The amendments are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted.

The Group is still assessing whether to adopt this change in IAS 27.

2.3 ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

Annual improvements 2012 – 2014 Cycle - effective July 01, 2016

The annual improvements 2012-2014 Cycle make amendments to the following standards:

- IFRS 5 - Adds specific guidance in IFRS 5 for cases in which an entity reclassifies an asset from held for sale to held for distribution or vice versa and cases in which held-for-distribution accounting is discontinued;
- IFRS 7 – Additional guidance given to clarify whether a servicing contract is continuing involvement in a transferred assets, and clarification made on offsetting disclosures in condensed interim financial statements;
- IAS 9 – Clarifies that the high quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid; and
- IAS 34 – Clarifies the meaning of "elsewhere in the interim report" and require a cross reference.

The directors will assess the impact of the amendments when they become effective.

Disclosure Initiative (Amendments to IAS 1) - effective January 01, 2016

Amends IAS 1 Presentation of Financial Statements to address perceived impediments to preparers exercising their judgement in presenting their financial reports by making the following changes:

- clarification that information should not be obscured by aggregating or by providing immaterial information, materiality considerations apply to the all parts of the financial statements, and even when a standard requires a specific disclosure, materiality considerations do apply;
- clarification that the list of line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements and clarification that an entity's share of OCI of equity-accounted associates and joint ventures should be presented in aggregate as single line items based on whether or not it will subsequently be reclassified to profit or loss; and
- additional examples of possible ways of ordering the notes to clarify that understandability and comparability should be considered when determining the order of the notes and to demonstrate that the notes need not be presented in the order so far listed in paragraph 114 of IAS 1.

No early adoption of these standards and interpretations is intended by the Board of directors.

2.4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's financial statements require management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Going concern

The Group's management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements of the Group were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. At June 30, 2015, the Group had Rs. 418,870 worth of deferred tax assets which have not been recognised. The analysis of the temporary differences on which the deferred tax arises is shown in note 14.

2.4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

Retirement benefit obligations

The cost of defined benefit pension plans and related provision, as disclosed in note 12 to the financial statements requires the use of actuarial valuations. The actuarial valuation involves the use of significant estimate in respect of inter-alia, discount rate, future salary increases, mortality rate and future pension increases.

Due to the complexity of the valuation, the underlying assumptions and its long-term nature, such estimate is subject to significant uncertainty. All assumptions are reviewed at each reporting date. The net employee benefit asset at June 30, 2015 is Rs. 3,076,822 (2014: Rs. 5,664,574). Further details are set out in note 12.

Impairment of available-for-sale financial assets

The Group classifies assets as available-for-sale and recognizes movement in fair value in equity. When the fair value declines, management makes assumptions about the decline in value to determine whether it is an impairment that should be recognized in profit or loss. At June 30, 2015 no impairment losses have been recognized for available-for-sale financial assets (2014: Rs Nil). The carrying amount of available-for-sale financial assets was Rs 308,357,630(2014: Rs 269,765,697) and Rs 173,359,724 (2014: Rs 134,767,791) for the Group and the Company respectively. Refer to Note 7.

Fair value of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Valuation of property

The fair value of investment property is determined by independent real estate valuation experts using recognised valuation techniques. In some cases, the fair values are determined based on recent real estate transactions with similar characteristics and location to those of the Group assets.

The determination of the fair value of investment property requires the use of estimates such as future cash flows from assets (such as lettings, tenants' profiles, future revenue streams, capital values of fixtures and fittings, plant and machinery, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets.

2.4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

Valuation of property (Continued)

In addition, development risks (such as construction and letting risks) are also taken into consideration when determining the fair value of investment properties under construction. Future revenue streams, inter alia, comprise contracted rent (passing rent) and estimated rental income (ERV) after the contract period. In estimating ERV, the potential impact of future lease incentives to be granted to secure new contracts is taken into consideration. All these estimates are based on local market conditions existing at the reporting date. The key assumptions used to determine the fair value of the properties and sensitivity analyses are provided in Note 5.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Property, plant and equipment

Property, plant and equipment is recorded at cost net of accumulated depreciation and accumulated impairment losses, if any. Such costs include 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 property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. All other property, plant and equipment are stated at historical cost less depreciation and impairments.

The carrying values of property, plant and equipment are reviewed for impairment at each reporting date or when events or changes in circumstances indicate that the carrying value may not be recoverable.

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 asses is derecognised.

Depreciation is calculated on the straight line method to write off the cost of each asset to their residual values over their estimated useful lives. The useful life, residual value and method of depreciation of an item of property, plant and equipment is reviewed at each financial year end and adjusted prospectively if appropriate. The annual rates of depreciation are as follows:

Improvement to buildings	-	1% - 10%
Furniture and office equipment	-	7.5% - 20%
Motor vehicles	-	20%

UNITED DOCKS LTD AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in fair value of investment properties are included in profit or loss in the year in which they arise, including the corresponding tax effect.

Fair values are determined based on evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee (“IVSC”).

Investment properties are derecognised when either they have been disposed of or when the investment property is 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.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

No assets held under operating lease have been classified as investment property.

(c) Investments in subsidiaries

Investments in subsidiary companies are carried at cost which is the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The carrying amount is reduced to recognise any impairment in the value of individual investments. The impairment loss is taken to profit or loss.

(d) Financial assets

Initial recognition and measurement

Financial assets are classified at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale investments or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Initial recognition and measurement (Continued)

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e, the date that the Group commits to purchase or sell the asset.
The Group's financial assets include cash and cash equivalents, trade and other receivables, and quoted and unquoted financial instruments.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as described below:

Available-for-sale financial assets

Available-for-sale financial investments include equity investments and debt securities. Equity investments classified as available-for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial recognition available-for sale financial assets are subsequently measured at fair value with unrealised gains or losses being recognised as other comprehensive income in the available for sale reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in other operating income, or the investment is determined to be impaired at which time the cumulative gain or loss previously reported in other comprehensive is recycled to profit or loss in finance costs. Interest earned while holding available-for-sale financial investments is reported as interest income using the EIR method.

The Group evaluates whether the ability and intention to sell its available for sale financial assets in the near term is still appropriate. When the Group is unable to trade these financial assets due to inactive markets , the Group may elect to reclassify these financial assets if management has the ability and intention to hold the assets for the forseeable future or until maturity.

For assets reclassified out of the available-for-sale category the fair value carrying amount at the date of reclassification become its new amortized cost and any previous gain or loss on that asset that has been recognized in equity is amortized to profit or loss over the remaining life of the investment using the effective interest rate method. Any difference between the new amortized cost and the maturity amount is also amortized over the remaining life of the asset using effective interest rate method. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR), less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in profit or loss.

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 Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of provision is recognised in profit or loss.

Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less. Cash and cash equivalents are measured at amortised cost.

For the purpose of the consolidated statements of cash flows, cash and cash equivalents consist of cash and short term deposits as defined above, net of outstanding bank overdrafts.

(e) Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

Financial liabilities are recognized initially at fair value and in case of loans and borrowings, directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, dividend payable, bank overdraft and loans and borrowings.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent measurement

The measurement of financial liabilities depends on their classification as described below:

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process. Amortised cost is calculated taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance cost in profit or loss.

(f) Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

  (a) the Group has transferred substantially all the risks and rewards of the asset, or
  (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset.

In that case, the Group also recognised an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(g) Impairment of financial assets

The Group assesses, at each reporting date, whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired as a result of one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Available-for-sale financial assets

In the case of equity investments classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the statement of comprehensive income – is removed from other comprehensive income and recognised in profit or loss. Impairment losses on equity investments are not reversed through profit or loss; increases in their fair value after impairment are recognised directly in other comprehensive income.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial asset at amortised cost

For financial assets amortised at cost, the Group first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment for impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in statement of profit or loss. Interest income (recorded as finance income in the statement of profit or loss continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to finance costs in profit or loss.

(h) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

UNITED DOCKS LTD AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued and the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of comprehensive income unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of comprehensive income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(k) Employee benefit liabilities

Defined benefits schemes

The Group operates a defined benefit plan for some of its employees. The cost of providing benefits is determined using the projected unit credit method, so as to spread the regular cost over the service lives of employees in accordance with the advice of (qualified) actuaries who carry out a full valuation of plans every year.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding net interest are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under ‘administration expenses’ in consolidated statement of profit or loss (by function):

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income.

UNITED DOCKS LTD AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Defined contribution 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. The Group operates a defined contribution retirement benefit plan for all qualifying employees (and their dependents).

Payments to defined contribution retirement plans are charged as an expense as they fall due.

Retirement Gratuity

For employees who are not covered by the above pension plans, the net present value of Retirement Gratuity payable under the Employment Rights Act 2008 is determined and valued by the actuary and provided for. The obligations arising under this item are not funded. Actuarial gains or losses are recognized using the same policy as for a defined benefit scheme.

A liability is recognised in Note 12.

(l) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in profit and loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and it establishes provisions where appropriate.

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit, nor taxable profit or loss; and

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred income tax (Continued)

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled, and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

UNITED DOCKS LTD AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Value added tax

Revenues, expenses and assets are recognised net of the amount of value added tax except:

- when the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- when receivables and payables are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Corporate Social Responsibility

In line with the definition within the Income Tax Act 1995, Corporate Social Responsibility (CSR) is regarded as a tax and is therefore subsumed with the income tax shown within the statement of comprehensive income and the income tax liability on the statement of financial position.

The CSR charge for the current period is measured at the amount expected to be paid to the Mauritian tax authorities. The CSR rate and laws used to compute the amount are those charged or substantively enacted by the reporting date.

(m) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured regardless of when the payment is being made. Revenue is recognised at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Group has concluded that it is acting as a principal in all of its revenue arrangements.

The following specific criteria must also be met:

- Rental Income

The Group revenue reflects the invoiced values excluding VAT derived from rental of warehouses and invoices are issued every month in arrears.

- Dividend from investment

Dividend income is recognised when the Group’s right to receive payment is established.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

- Interest income

Interest is recognised as it accrues (taking into account the effective yield on the asset) unless collectibility is in doubt.

(n) Lease

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception date and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as lessee

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in profit or loss.

A leased asset is depreciated over the useful life of the asset. However, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating leased payments are recognised as an operating expense in profit or loss on a straight-line basis over the lease term.

(o) Segmental reporting

The Group presents segmented information using business segments and also present geographical segments. This is based on the internal management and financial reporting systems and reflects the risks and earnings structure of the Group. Management monitors the operating results for its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

External valuers are involved for valuation of significant assets, such as land and buildings. Involvement of external valuers is decided upon every 3 years. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group decides, after discussions with their external valuers, which valuation techniques and inputs to use for each case.

4. PROPERTY, PLANT AND EQUIPMENT

THE GROUP AND THE COMPANY	Improvement to buildings	Furniture & Office equipment	Motor Vehicles Owned	Leased	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
COST					
At July 1, 2013	-	9,545,661	1,741,671	854,363	12,141,695
Additions	1,569,762	41,371	-	-	1,611,133
At June 30, 2014	1,569,762	9,587,032	1,741,671	854,363	13,752,828
At July 1, 2014	1,569,762	9,587,032	1,741,671	854,363	13,752,828
Additions	577,226	509,870	-	-	1,087,096
Disposals	-	(37,733)	(1,688,845)	-	(1,726,578)
At June 30, 2015	**2,146,988**	**10,059,169**	**52,826**	**854,363**	**13,113,346**
DEPRECIATION					
At July 1, 2013	-	9,456,185	620,414	121,194	10,197,793
Charge for the year	102,089	46,875	337,769	170,873	657,606
At June 30, 2014	102,089	9,503,060	958,183	292,067	10,855,399
At July 1, 2014	102,089	9,503,060	958,183	292,067	10,855,399
Charge for the year	177,588	123,397	248,687	175,513	725,185
Disposals	-	(14,674)	(1,154,044)	-	(1,168,718)
At June 30, 2015	**279,677**	**9,611,783**	**52,826**	**467,580**	**10,411,866**
NET CARRYING AMOUNT					
At June 30, 2015	**1,867,311**	**447,386**	**-**	**386,783**	**2,701,480**
At June 30, 2014	1,467,673	83,972	783,488	562,296	2,897,429

UNITED DOCKS LTD AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2015

5. INVESTMENT PROPERTIES

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
	Rs.	Rs.	**Rs.**	Rs.
At July 1	**1,783,697,000**	1,783,697,000	**743,886,000**	743,886,000
Net gain in fair value	**65,876,280**	-	**39,643,280**	-
At June 30	**1,849,573,280**	1,783,697,000	**783,529,280**	743,886,000

(a) Investment properties which consist of freehold land and buildings were revalued on 18 August 2015 by Noor Dilmohamed & Associates, Chartered Practising Valuer. This valuation amounted to Rs. 2,117,689,200 on a vacant possession basis and Rs. 1,683,387,280 on the current use basis.

As at June 30, 2015, the Directors have determined the range between vacant possession and current use basis, and have applied the principle of taking a mix of both from the valuation reports. They have applied the current use basis for all properties of the Group except for properties at Caudan which have been valued on both vacant possession basis and current use basis wherever appropriate.

The Directors considered this as the fair value as at June 30, 2015.

Rental income from investment properties amounted to Rs. 22,421,846 (2014: Rs. 23,008,464) for the Group and the Company. Direct operating expenses arising on the investment properties during the year amounted to Rs. 12,679,460 (2014: Rs. 10,042,627) for the Group and the Company.

(b) Bank overdrafts and short term borrowings are secured by floating charges on the assets of the Group including investment properties (note 11).

The following table provides the fair value measurement hierarchy of the Group's investment properties.

Quantitative disclosures fair value measurement hierarchy for assets as at June 30, 2015:

Group	Fair value measurement using				
	Date of valuation	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
		Rs.	**Rs.**	**Rs.**	**Rs.**
Assets measured at fair value:					
Investment properties	18-Aug-15	1,849,573,280	-	1,849,573,280	-

Company	Fair value measurement using				
	Date of valuation	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
		Rs.	**Rs.**	**Rs.**	**Rs.**
Assets measured at fair value:					
Investment properties	18-Aug-15	783,529,280	-	783,529,280	-

5. INVESTMENT PROPERTIES (CONTINUED)

Quantitative disclosures fair value measurement hierarchy for assets as at 30 June 2014:

Group	Date of valuation	Total	Fair value measurement using: Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	Rs.	Rs.	Rs.	Rs.	Rs.
Assets measured at fair value:					
Investment properties	21-Sep-12	1,783,697,000	-	1,783,697,000	-

Company	Date of valuation	Total	Fair value measurement using: Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		Rs.	Rs.	Rs.	Rs.
Assets measured at fair value:					
Investment properties	21-Sep-12	743,886,000	-	743,886,000	-

Description of valuation technique used and key inputs to valuation of investment properties:

	Valuation technique	Significant unobservable inputs
Investment properties	Vacant possession basis	Estimated price per square metre
Investment properties	Current use basis	Estimated price per square metre

6. INVESTMENT IN SUBSIDIARIES

THE COMPANY

	2015	2014
Unquoted	Rs.	Rs.
At June 30	50,000	150,000

(a) The Company's subsidiaries are as follows:

Name of subsidiaries	Type	Main business	Issued capital	Nominal value of investment 2015	Nominal value of investment 2014	% Holding 2015	% Holding 2014
			Rs.	Rs.	Rs.	%	%
Fanfaron Advertising Limited (note (c))	Direct	Advertising	100,000	-	100,000	-	100%
United Docks (Overseas Investments)	Indirect	Investment holding	25,000	-	-	100%	100%
United Properties Ltd	Direct	Property development	25,000	25,000	25,000	100%	100%
Uptown Development Co Ltd	Indirect	Property development	25,000	-	-	60%	60%
UDL Investments Ltd	Direct	Investment holding	25,000	25,000	25,000	100%	100%
			200,000	50,000	150,000		

(b) The Company holds only ordinary shares in its subsidiaries, all of which are incorporated in the Republic of Mauritius. They all operate in the Republic of Mauritius and their accounting year end is June 30.

The Directors have assessed that the carrying amount of the investment is below the recoverable amount.

(c) On June 2, 2015, Fanfaron Advertising Limited, a wholly owned subsidiary, has been amalgamated to United Docks Ltd.

SCHEME OF AMALGAMATION

As per written resolutions dated, 7 May 2015, Fanfaron Advertising Limited, a company incorporated in Mauritius and a fully owned subsidiary of the Company,(referred to as the 'Amalgamating entity) has agreed to merge and amalgamate its business in accordance with Sections 244, 247 and 248 of the Companies Act 2001 with United Docks Ltd (referred to as the "Company").

A certificate of amalgamation was issued by the Registrar of Companies on 2 June 2015.

UNITED DOCKS LTD AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2015

6. INVESTMENT IN SUBSIDIARIES (CONTINUED)

SCHEME OF AMALGAMATION (CONTINUED)

Upon amalgamation of the Amalgamating entity and the Company;

- The Company remains as the surviving entity;
- The Amalgamating entity has ceased to exist as a separate legal entity;
- All property, rights, powers, privileges, liabilities and obligations of the Amalgamating entity continue to be the property, rights, powers, privileges, liabilities and obligations of the Company. The retained earnings of the Amalgamating entity was transferred to the Company on 2 June 2015.
- The shares of the Amalgamating Company have been cancelled without payment or other consideration;
- The Amalgamating entity was transferred to the Company on a going concern basis on 2 June 2015;
- After the transfer, the Amalgamating entity had no remaining assets and liabilities and was removed from the register of companies in Mauritius by the Registrar of Companies.

Assets and liabilities of the amalgamating entity have been taken at their book value at 2 June 2015. Upon amalgamation of Fanfaron Advertising Limited and the Company, there was no change in the ultimate holding company, no press publication with respect to the amalgamation, in accordance with section 247 of the Companies Act 2001.

7. AVAILABLE-FOR-SALE INVESTMENTS

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
	Rs.	Rs.	**Rs.**	Rs.
At July 1,	**269,765,697**	251,494,475	**134,767,791**	116,496,569
Disposals	**(3,525,885)**	(5,208,000)	**(3,525,885)**	(5,208,000)
Gain in fair value	**42,117,818**	23,479,222	**42,117,818**	23,479,222
At June 30,	**308,357,630**	269,765,697	**173,359,724**	134,767,791

Available-for-sale financial assets include the following:

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
Shares:	**Rs.**	Rs.	**Rs.**	Rs.
Listed on the SEM & DEM	**46,057,180**	39,769,670	**46,057,180**	39,769,670
Unquoted	**262,300,450**	229,996,027	**127,302,544**	94,998,121
	308,357,630	269,765,697	**173,359,724**	134,767,791
Analysed as:				
At fair value				
Other quoted investments (note (a))	**46,057,180**	39,769,670	**46,057,180**	39,769,670
Unquoted investment in Axys Group (note (b))	**92,458,134**	79,030,103	**92,458,134**	79,030,103
Other unquoted investments (note (e))	**34,844,410**	15,968,018	**34,844,410**	15,968,018
At cost less impairment				
Unquoted investment in Societe Libra (note (c))	**134,997,906**	134,997,906	**-**	-
	308,357,630	269,765,697	**173,359,724**	134,767,791

UNITED DOCKS LTD AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2015

7. AVAILABLE-FOR-SALE INVESTMENTS (CONTINUED)

(a) The fair value of shares quoted on the Stock Exchange of Mauritius official list ("SEM") and the Stock Exchange of Mauritius - Development & Enterprise Market ("DEM") are based on the prices prevailing at the reporting date.

(b) The Company owns 99,503 shares in AXYS Group Ltd, representing a 20% shareholding, with an original cost of Rs 23,932,462. On 30 June 2010, the Board of Directors accepted an offer of exchange for shares in AXYS Group Ltd for shares in United Investment Ltd. Consequently, the investment in AXYS Group Ltd was classified as held for sale at 30 June 2010.

However, due to a dispute before the Commercial Division of the Supreme Court over the shares in AXYS Group Ltd concerning the right of the Company to maintain its shareholding in AXYS Group Ltd and the Company's right and ability to appoint representatives on the administrative organs of AXYS Group Ltd, the transfer could not be effected.
On 30 October 2012, the Court delivered a judgment in favour of the Company and on 16 November 2012, the former shareholders of AXYS Group Ltd lodged an appeal against the Court's judgment. On 3 July 2014 the Court of Civil Appeal of the Supreme Court dismissed the appeal.

The former shareholders of AXYS Group Ltd have applied to the Supreme Court for leave to appeal to the Judicial Committee of the Privy Council. However, the Directors, acting on the basis of legal advice, consider that, even in the event of a favourable judgment before the Privy Council and the appeal is presently pending before the privy council, the investment in AXYS Group Ltd should be maintained as available for sale and valued at fair value at 30 June 2015. Further, the Company will start procedures to reinstate its full rights on its shares in AXYS Group Ltd.

In the event of an adverse ruling against the Company, the Company would be entitled to be paid the fair value of the shares in AXYS Group Ltd as at December 2006, which may be different from the value at which it is currently recorded.

Management does not have access to the latest financial information of AXYS Group as at 30 June 2015. The most recent information that the Directors have on hand is the audited accounts of the investee company as at 30 June 2014. This is the most updated information available based on which the Directors has used to determine the most appropriate fair value. Hence, the fair value of Axys Group as at 30 June 2015 was calculated using the net assets value of the investee company as at 30 June 2014.

(c) There are 2 disputes currently pending before the Supreme Court of Mauritius with respect to the shareholding of the UDL Group in Societe Libra.

The dispute relates to what the UDL Group considers to be breaches of the shareholders agreement "Pacte de Societaires", agreed upon by UDL Group and Societe Pronema pertaining to their investment in Societe Libra. The UDL Group is seeking the dissolution of Societe Libra. The other dispute (initiated by Societe Libra) relates to the entitlement of the Group to maintain its shareholding in Societe Libra and also to the Group's right and ability to appoint representatives on the administrative organ of the entity.

As the Group is currently unable to exercise its rights as members of Societe Libra, the directors consider that it would not be appropriate to classify the "parts sociales" as investment in associate. However, the directors have been advised that the Group should at the very least be able to re-instate the right of the Group. Accordingly, the investment has since 30 June 2007 been classified as available for sale investment and shall remain so until the final resolution of the dispute. Since the beginning of the dispute, the Group has been prevented from having access to any financial information of Societe Libra.
As a result, the directors have been unable to determine the fair value and have measured the investment at cost. The investment has also not been assessed for impairment as the directors are not able to determine the estimated future cash flows expected to arise from the investment in Societe Libra.

Through its investment in Société Libra the Group holds an effective interest of 13.41% in Harel Mallac Ltd, a listed company. The directors are of the opinion that the fair value is significantly higher than its carrying value Rs.134,997,906, which is also its initial cost.

The Directors wish to highlight that on June 26, 2006, the date of acquisition of the shares in Société Libra, the cost of acquisition carried a premium of 40% over the relevant share of market capitalisation of Harel Mallac Ltd and represented a discount of 18% over the relevant share of net assets as at that date.

At June 30, 2015, the share of market capitalisation exceeded the cost of acquisition by 12% and was at a 51% discount over the share of net assets.

7. AVAILABLE-FOR-SALE INVESTMENTS (CONTINUED)

(d) The Company owns 20% of the issued share capital of Cathedral Development Limited. The investment is classified as available-for-sale as the Directors consider that they do not have significant influence since the Company does not have its representatives on the Board of Directors of the investee company.

(e) Unquoted shares that do not have quoted market price in an active market are fair valued using the Net Assets Value of the investee companies.

(f) The following table shows financial instruments recognised at fair value for the Group and the Company, analysed between those whose fair value is based on:

- Level 1: quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3: valuation techniques for which the lowest level input that is significant to the fair value measurement is observable

	THE GROUP		THE COMPANY	
	2015	2014	2015	2014
	Rs.	Rs	Rs.	Rs
Assets measured at fair value				
Level 1	46,057,180	39,769,670	46,057,180	39,769,670
Level 3	127,302,544	94,998,121	127,302,544	94,998,121

Group and Company

Fair value measurement using significant unobservable inputs (level 3)

	At 1 July 2014	Acquisitions	Disposals	Transfer to/(from) level 3	Gain/(losses) recognised in SOCI	At 30 June 2015
Other investments	15,968,018	-		-	18,876,392	34,844,410
Investment in Axys Group	79,030,103	-	-	-	13,428,031	92,458,134
	94,998,121	-	-	-	32,304,423	127,302,544

Group and Company

	At 1 July 2013	Acquisitions	Disposals	Gain/(losses) recognised in SOCI	At 30 June 2014
Other investments	6,584,618	-	(1,428,001)	10,811,401	15,968,018
Investment in Axys Group	69,144,675	-	-	9,885,428	79,030,103
	75,729,293	-	(1,428,001)	20,696,829	94,998,121

7. AVAILABLE-FOR-SALE INVESTMENTS (CONTINUED)

Valuation methods and assumptions

The fair value of the available-for-sale investments is the amount at which the investments could be sold in a current transaction between market participants.

The following methods and assumptions were used to estimate the fair values:

- Fair value of the quoted investments is derived from quoted market prices in active markets.
- Investments in the unquoted available-for-sale investments have been fair valued based on Net Asset Value of the Investee Companies.

8. TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2015	2014	2015	2014
	Rs.	Rs.	Rs.	Rs.
Trade receivables	4,718,314	4,228,604	4,718,314	4,127,666
Receivable from subsidiaries	-	-	872,245,489	873,782,795
Other debtors and prepayments	12,456,733	14,093,974	12,380,536	11,857,728
Deposit on shares	-	209,534	-	209,534
	17,175,047	18,532,112	889,344,339	889,977,723

(a) The carrying amount of trade and other receivables approximate their fair value due to short term nature.

(b) The provision for impairment on trade and other receivables for the Group and the Company is Rs 3,251,004 (2014: for the Group Rs 2,126,976 and the Company: Rs 2,092,476).
The trade receivables are individually impaired.

	THE GROUP		THE COMPANY	
	2015	2014	2015	2014
	Rs.	Rs.	Rs.	Rs.
At July 1,	2,126,976	1,937,876	2,092,476	1,937,876
Charged for the year	1,158,528	189,100	1,158,528	154,600
Utilised during the year	(34,500)	-	-	-
At June 30,	3,251,004	2,126,976	3,251,004	2,092,476

(c) Trade receivables are non-interest bearing and are generally on 30 days terms.

(d) For terms and conditions relating to related party receivables, refer to note 22.

8. TRADE AND OTHER RECEIVABLES (CONTINUED)

(e) As at June 30, the ageing analysis of trade receivables is as follows:

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
	Rs.	Rs.	**Rs.**	Rs.
Neither past due nor impaired	**-**	-	**-**	-
Past due but not impaired:				
- Less than 30 days	**805,690**	951,496	**805,690**	951,496
- 30 to 90 days	**965,899**	864,157	**965,899**	763,219
- Greater than 90 days	**2,946,725**	2,412,951	**2,946,725**	2,412,951
	4,718,314	4,228,604	**4,718,314**	4,127,666

9. CASH AT BANK AND ON HAND

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
	Rs.	Rs.	**Rs.**	Rs.
(a) **Cash at bank and on hand**				
Petty cash	**29,226**	20,928	**29,226**	20,928
Cash at bank	**18,218**	926,367	**3,125**	3,758
	47,444	947,295	**32,351**	24,686

(b) For the purpose of statements of cash flows, cash and cash equivalents comprise of the following:

	THE GROUP		THE COMPANY	
	Rs.	Rs.	**Rs.**	Rs.
Cash at bank and on hand	**47,444**	947,295	**32,351**	24,686
Bank overdrafts (note 11)	**(99,827,925)**	(91,334,214)	**(99,824,936)**	(91,332,652)
	(99,780,481)	(90,386,919)	**(99,792,585)**	(91,307,966)

10. STATED CAPITAL AND RESERVES

(a) **Stated capital**

THE GROUP AND THE COMPANY	2015 & 2014
Authorised	**Rs.**
15,000,000 Ordinary shares of Rs. 10 each	**150,000,000**

THE GROUP AND THE COMPANY	2015 & 2014
	Rs.
Issued and fully paid	
10,560,000 Ordinary shares of Rs. 10 each	**105,600,000**

UNITED DOCKS LTD AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2015

10. STATED CAPITAL AND RESERVES (CONTINUED)

(b) **Reserves**

(i) *Share premium*

This represents the premium arising upon the issue of ordinary shares.

(ii) *Other reserves*

This reserve records fair value changes on available-for-sale financial assets.
There is no tax implication on the fair value movements of the reserves.

11. INTEREST-BEARING LOANS AND BORROWINGS

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
	Rs.	Rs.	**Rs.**	Rs.
Non-current				
Bank loan (note (a))	**19,799,570**	94,799,570	**19,799,570**	94,799,570
Obligations under finance lease (note (c))	**262,859**	434,812	**262,859**	434,812
	20,062,429	95,234,382	**20,062,429**	95,234,382

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
	Rs.	Rs.	**Rs.**	Rs.
Current				
Bank overdraft (note (b))	**99,827,925**	91,334,214	**99,824,936**	91,332,652
Bank loan (note (a))	**75,000,000**	-	**75,000,000**	-
Loan from related party (note (d))	**-**	1,370,000	**-**	1,370,000
Obligations under finance lease (note (c))	**171,953**	157,206	**171,953**	157,206
	174,999,878	92,861,420	**174,996,889**	92,859,858
TOTAL	**195,062,307**	188,095,802	**195,059,318**	188,094,240

(a) Bank loan can be analysed as follows:-

	THE GROUP AND THE COMPANY	
	2015	2014
	Rs.	Rs.
Within one year	**75,000,000**	-
After one year and before two years	**11,165,928**	-
After two years and before five years	**8,633,642**	94,799,570
	94,799,570	94,799,570

Bank borrowings are secured by floating charges over the properties of the Group.

The effective interest rate on the bank loans is PLR + 1 % (2014: PLR + 1 %).

(b) The bank overdraft is secured by floating charges on the assets of the Company. The rate of interest on the bank overdraft is at PLR + 1 %.

11. INTEREST-BEARING LOANS AND BORROWINGS (CONTINUED)

(c) Obligations under finance lease

	THE GROUP AND THE COMPANY	
Finance lease liabilities - minimum lease payments	**2015**	2014
	Rs.	Rs.
Within one year	**204,108**	204,108
Later than one year and not more than five years	**280,390**	484,497
	484,498	688,605
Future finance charges on finance lease	**(49,686)**	(96,587)
Present value of finance lease liabilities	**434,812**	592,018

The present value of finance lease liabilities may be analysed as follows:

	THE GROUP AND THE COMPANY	
	2015	2014
	Rs.	Rs.
Within one year	**171,953**	157,206
After one year and before two years	**262,859**	171,950
After two years and before five years	**-**	262,862
	434,812	592,018

Lease liabilities are effectively secured as the rights to the lease assets revert to the lessor in the event of default.

The rate of interest on this lease is 9% and the lease will mature on 30th October 2017.

(d) The Group has taken a loan from United Docks Superannuation Fund of Rs. 2m at an interest rate of 5.025% repayable on demand where the loan balance as at 30 June 2014 was Rs 1,370,000. This loan has been repaid during the year under review.

12. EMPLOYEE BENEFIT OBLIGATIONS

(i) The Group has two types of employees schemes:-

(a) A defined benefit scheme. It is based on its fund pensionable emoluments.
(b) An unfunded retirement gratuity which is based on its final emoluments.

As per the Employment Rights Act, the latter defined a day's emolument as being the daily rate at which the employee has been remunerated over a period of 12 months, inclusive of any quantifiable benefits paid.

The fund has been registered as an association and is under the Private Pension Act 2012.

UNITED DOCKS LTD AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2015

12. EMPLOYEE BENEFIT OBLIGATIONS (CONTINUED)

(a) The amounts recognised in the statements of financial position are as follows:

	THE GROUP AND THE COMPANY	
	2015	2014
	Rs.	Rs.
Defined benefit obligation	**35,303,757**	35,013,782
Fair value of plan assets (note (f))	**(38,380,579)**	(40,678,356)
	(3,076,822)	(5,664,574)
Benefit asset	**(3,076,822)**	(5,664,574)

(b) Movement in the asset recognised in the statement of financial position:

	THE GROUP AND THE COMPANY	
	2015	2014
	Rs.	Rs.
At 1 July,	**(5,664,575)**	(1,898,521)
Amount recognised in profit or loss (note c)	**269,810**	261,247
Amount recognised in other comprehensive income (note d)	**2,492,337**	(3,831,491)
Direct benefits paid	**(174,394)**	(195,810)
At 30 June,	**(3,076,822)**	(5,664,575)

(c) The amounts recognised in profit or loss are as follows:

	THE GROUP AND THE COMPANY	
	2015	2014
	Rs.	Rs.
Current service cost	**305,984**	298,217
Past service Cost	**-**	-
Fund expenses and life insurance	**471,527**	166,056
Contribution by employees	**(45,893)**	(51,529)
Net interest cost	**(461,808)**	(151,497)
Net benefit expense	**269,810**	261,247

(d) The amounts recognised in other comprehensive income are as follows:

	THE GROUP AND THE COMPANY	
	2015	2014
	Rs.	Rs.
Remeasurement gains/(losses) in other comprehensive income		
Actuarial (losses)/gains on obligation arising from financial assumptions	**(719,922)**	796,679
Actuarial (losses)/gains on plan assets arising from financial assumptions	**(1,772,415)**	3,034,812
	(2,492,337)	3,831,491

12. EMPLOYEE BENEFIT OBLIGATIONS (CONTINUED)

(f) Movement in the fair value of plan assets are as follows:

	THE GROUP AND THE COMPANY	
	2015	2014
	Rs.	Rs.
At 1 July,	**40,678,356**	38,328,001
Interest received	**3,129,389**	2,754,100
Contributions to plan assets	**220,287**	247,338
Benefits paid out of plan assets	**(3,403,511)**	(3,519,839)
Fund expenses and life insurance	**(471,527)**	(166,056)
Actuarial (loss)/gain on plan assets	**(1,772,415)**	3,034,812
At 30 June,	**38,380,579**	40,678,356

(g) Changes in present value of funded and unfunded obligation are as follows:

	THE GROUP AND THE COMPANY	
	2015	2014
	Rs.	Rs.
At 1 July,	**35,013,782**	36,429,480
Current service cost	**777,511**	464,273
Past service cost	**-**	-
Interest cost	**2,667,581**	2,602,603
Benefits paid	**(3,403,511)**	(3,519,839)
Fund expenses and life insurance	**(471,527)**	(166,056)
Actuarial loss / (gain) on obligation	**719,922**	(796,679)
At 30 June,	**35,303,758**	35,013,782

(h) The assets in the plan are made up as follows:

	THE GROUP AND THE COMPANY	
	2015	2014
	%	%
Local equities	**62%**	56%
Properties	**26%**	25%
Loan	**11%**	14%
Others	**1%**	5%
	100%	100%

The plan assets include assets used by the Group and Company with a fair value of Rs. 37,996,293 (2014: Rs. 38,464,078).

UNITED DOCKS LTD AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2015

12. EMPLOYEE BENEFIT OBLIGATIONS (CONTINUED)

Expected contributions to post-employment benefit plans for the year ending June 30, 2015 is Rs. 220,286 (2014: Rs. 247,337) for the Group and the Company.

	THE GROUP AND THE COMPANY	
	2015	2014
	%	%
Discount rate	**7.0%**	8.0%
Future salary increases	**5.5%**	6.5%
Future pension increases	**0.00%**	0.00%

Actuarial table for employee mortality **PM A92/PFA92 standard mortality table**

(i) A quantitative sensitivity analysis for signifcant assumption as at 30 June 2015 is shown as follows below:

	Discount rate		Future salary increases	
Assumptions Sensitivty Level	**1% increase**	**1% decrease**	**1% increase**	**1% decrease**
	Rs.	**Rs.**	**Rs.**	**Rs.**
Impact on defined benefit obligation	**(2,694,190)**	**3,115,299**	**699,864**	**(624,901)**

Assumptions	Life expectancy of pensioners	
Sensitivity Level	**Increase by 1 year**	**Decrease by 1 year**
	(607,301)	**586,520**

The sensitivity analsysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occuring at the end of the reporting period.

The average duration of the defined benefit plan obligation at the end of the reporting period is 23 years (2014: 15 yrs).

13. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
	Rs.	Rs.	**Rs.**	Rs.
Trade payables	**1,375,735**	3,522,140	**1,299,811**	1,913,934
Accruals and other payables	**2,517,741**	2,973,251	**2,361,892**	2,754,764
Payable to related companies	**-**	-	**-**	3,019,917
	3,893,476	6,495,391	**3,661,703**	7,688,615

Term and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 30-day terms.
- Other payables are non-interest bearing and have an average term of six months.
- For terms and conditions relating to related parties, refer to Note 22.

14. TAXES

(a) Deferred income tax

Deferred income tax is calculated on all temporary differences under the liability method at 15% (2014: 15%). The Group and the Company have the following temporary differences which result in a net deferred tax asset. However, none of these have been recognised in the financial statements as the probability that tax profits will be available to offset the tax losses is very remote.

Deferred tax arises on the following temporary differences:

	THE GROUP		
	2015	2014	Movement
	Rs.	Rs.	Rs.
Accelerated depreciation	113,705	(211,685)	325,390
Tax losses	(532,575)	(12,193,044)	11,660,469
Total unrecognised deferred tax	(418,870)	(12,404,729)	11,985,859

Deferred tax arises on the following temporary differences:

	THE COMPANY		
	2015	2014	Movement
	Rs.	Rs.	Rs.
Accelerated depreciation	113,705	(211,685)	325,390
Tax losses	(518,095)	(12,067,613)	11,549,518
Total unrecognised deferred tax	(404,390)	(12,279,298)	11,874,908

(b) - *Statement of Financial Position*

	THE GROUP	
	2015	2014
	Rs.	Rs.
At July 1,	68,241	126,028
Income tax charge for the year	80,523	102,465
Corporate Social Responsibility	10,736	149,341
Tax paid	(72,741)	(279,869)
Under provision of current tax	4,500	(29,724)
Tax deducted at source	(10,735)	-
At June 30,	80,524	68,241

UNITED DOCKS LTD AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2015

14. TAXES (CONTINUED)

(c) Income tax expense

	THE GROUP	
	2015	2014
	Rs.	Rs.
Current tax on the adjusted profit for the year at 15% (2014: 15%)	80,523	102,465
Corporate social responsibility tax	10,736	149,341
Under provision from previous year	4,500	(29,724)
	95,759	222,082

The tax on the Group and Company's profit before taxation differs from the theoretical amount that would arise using the basic tax rate of the Group and Company as follows:

	THE GROUP		THE COMPANY	
	2015	2014	2015	2014
	Rs.	Rs.	Rs.	Rs.
Profit/(loss) before tax	54,877,227	(5,234,362)	28,739,266	5,661,485
Tax calculated at a rate of 15%	8,231,584	(785,154)	4,310,890	(849,223)
Income not subject to tax	(10,308,944)	(979,415)	(6,373,994)	(979,415)
Expenses not deductible for tax purposes	1,739,013	854,192	1,658,714	828,768
Corporate social responsibility tax	10,736	-	-	-
Under provision from previous year	4,500	119,617	-	-
Deferred tax assets not utilised	418,870	1,012,842	404,390	999,870
	95,759	222,082	-	-

15. DIVIDEND PAYABLE

	THE GROUP AND THE COMPANY	
	2015	2014
	Rs.	Rs.
At July 1,	1,011,422	1,015,315
Unpaid dividend returned by MCB Registry	607,278	-
Paid during the year	-	(3,893)
At June 30,	1,618,700	1,011,422

16. OTHER INCOME

	THE GROUP		THE COMPANY	
	2015	2014	2015	2014
	Rs.	Rs.	Rs.	Rs.
Profit on disposal of available-for-sale investments	1,348,437	552,688	1,348,437	552,688
Insurance proceeds (note 25)	10,332,900	-	10,332,900	-
Sundry income	15,450	-	15,450	-
	11,696,787	552,688	11,696,787	552,688

17. OPERATING PROFIT

(a) Operating profit is arrived at:

	THE GROUP		THE COMPANY	
	2015	2014	2015	2014
	Rs.	Rs.	Rs.	Rs.
After crediting:				
Profit on disposal of available-for-sale	1,348,337	552,688	1,348,337	552,688
Other Income	15,450	-	15,450	-
and charging:				
Depreciation on property, plant and equipment	725,185	657,606	725,185	657,606
Profit on disposal of Property, plant and equipment	36,122	-	36,122	-
Employee benefit expense	11,179,004	8,575,702	11,179,004	8,575,702

	THE GROUP		THE COMPANY	
	2015	2014	2015	2014
	Rs.	Rs.	Rs.	Rs.
(b) Employee benefit expense:				
Wages and salaries	8,962,050	8,075,571	8,962,050	8,075,571
Pension costs	269,810	261,247	269,810	261,247
Social security costs	271,188	238,884	271,188	238,884
Severance allowance	1,675,956	-	1,675,956	-
	11,179,004	8,575,702	11,179,004	8,575,702

18. FINANCE COSTS

	THE GROUP		THE COMPANY	
	2015	2014	2015	2014
Interest expense on:	Rs.	Rs.	Rs.	Rs.
- Bank overdraft	7,461,766	7,812,792	7,461,425	7,812,673
- Finance lease	46,902	65,988	46,902	65,988
- Bank loans	7,597,997	6,814,197	7,597,997	6,814,197
-Other loans	32,653	90,626	32,653	218,515
	15,139,318	14,783,603	15,138,977	14,911,373

19. EARNINGS PER SHARE

	THE GROUP		THE COMPANY	
	2015	2014	2015	2014
	Rs.	Rs.	Rs.	Rs.
Profit/ (Loss) for the year attributable to equity holders of the Parent	54,277,507	(5,440,404)	28,643,507	(5,729,501)
Number of ordinary shares in issue (note 10(a))	10,560,000	10,560,000	10,560,000	10,560,000
Earnings per share (Basic and diluted)	5.14	(0.74)	2.71	(0.54)

There are no diluted investments during the financial year ended June 30, 2015 (2014: Nil).

20. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise bank overdrafts, loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to raise finance for the Group's operations.

The Group has various financial assets, such as available-for-sale investments, trade and other receivables and cash in hand and at bank which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk, liquidity risk and equity price risk.

Market rate risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Market risk comprise three types of risk: interest risk, currency risk and other price risk, such as equity price risk and commodity price risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest risk rates.

20. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Interest rate risk (Continued)

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank overdrafts, bank loans and finance lease with floating interest rates. Interest rate risks are not hedged.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax through the impact on floating rate borrowings.
There is no impact on the Group's equity.

	THE GROUP AND THE COMPANY	
	Increase / (decrease) in interest rate (basis points)	Effect on profit/(loss) before tax
		Rs.
June 30, 2015	**+100**	**(1,946,275)**
June 30, 2014	+100	**(1,867,242)**

A decrease in interest rate by 100 basis points for MUR borrowings will have an approximate opposite impact of an increase in the interest rate as shown above.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.
The Group is not exposed to foreign exchange risk as all financial assets and liabilities are denominated in Mauritian Rupees.

Equity price risk

The Group's listed and unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and placing limits on individual and total equity instruments. The Group's Board of Directors reviews and approves all equity investment decisions.

At reporting date, the Group's exposure to unlisted securities at fair value was Rs. 127,302,544 (2014: Rs. 94,998,121) and the exposure to listed securities at fair value was Rs. 46,057,180 (2014: Rs. 39,769,670). A change of 10% in the price would have an impact of approximately Rs. 17,335,972 (2014: Rs. 13,476,779) on equity depending on whether or not the decline is significant and prolonged.

Credit risk

Credit risk is the risk that a counter party will not meet the obligations under a financial instrument or customer customer leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables).

The Group trades only with recognised, creditworthy third parties. It is the Group's policy that all customers who trade on credit terms are subject to credit verification procedures.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

UNITED DOCKS LTD AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2015

20. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (Continued)

Since the Group trades only wth recognised third parties, there is no requirement for collateral.

At year end, the Group did not consider there to be any significant concentration of credit risk which has not been adequately provided for. The maximum exposure in the carrying amount of debtors and cash is disclosed in Notes 8 and 9.

The Group only deposits cash surpluses with major banks of high quality credit standing.

Liquidity risk

Management is responsible for liquidity and funding. The Group has minimised its liquidity risk by ensuring that it has adequate banking facilities and reserve borrowing capacity.

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Company aims at maintaining flexibility in funding by keeping reliable credit lines available.

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at year end based on contractual undiscounted payments.

	THE GROUP					
	On demand	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
June 30, 2015						
Interest bearing loans and borrowings	99,827,925	-	75,000,000	19,773,045	-	194,600,970
Trade and other payables		3,277,593	615,883	-	-	3,893,476
Dividend Payable	1,618,700	-	-	-	-	1,618,700
	101,446,625	3,277,593	75,615,883	19,773,045	-	200,113,146
June 30, 2014						
Interest bearing loans and borrowings	91,334,214	-	1,370,000	109,967,501	-	202,671,715
Trade and other payables	-	6,008,527	486,864	-	-	6,495,391
Dividend Payable	1,011,422	-	-	-	-	1,011,422
	92,345,636	6,008,527	1,856,864	109,967,501	-	210,178,528

20. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk management (Continued)

THE COMPANY

Financial Liabilities	On demand Rs.	1 to 3 months Rs.	3 months to 1 year Rs.	1 to 5 years Rs.	More than 5 years Rs.	Total Rs.
June 30, 2015						
Interest bearing loans and borrowings	99,824,936	-	75,000,000	19,773,045	-	194,597,981
Trade and other payables	-	3,045,820	615,883	-	-	3,661,703
Dividend Payable	1,618,700	-	-	-	-	1,618,700
	101,443,636	3,045,820	75,615,883	19,773,045	-	199,878,384
June 30, 2014						
Interest bearing loans and borrowings	91,332,652	-	1,370,000	109,967,501	-	202,670,153
Trade and other payables	3,019,917.00	4,181,834	486,864	-	-	7,688,615
Dividend Payable	1,011,422	-	-	-	-	1,011,422
	95,363,991	4,181,834	1,856,864	109,967,501	-	211,370,190

Interest bearing loans and borrowings include future finance charges.

(a) *Capital risk management*

The Group manages their capital to ensure that they are able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Group manages their capital structure and make adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. No changes were made in the objectives, policies or processes during the years ended June 30, 2015 and June 30, 2014.

UNITED DOCKS LTD AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2015

20. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Capital risk management (Continued)

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus debt. The Group's strategy, which was unchanged from 2009, was to maintain the debt-to-adjusted capital ratio at the lower end, in order to secure access to finance at a reasonable cost.

The Group includes within net debt, interest-bearing loans and borrowings, less cash in hand and at bank. Total capital is calculated as "equity" as shown in the statement of financial position less net unrealised gains reserves.
The gearing ratios at June 30, 2015 and June 30, 2014 were as follows:

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
	Rs	Rs	**Rs**	Rs
Interest-bearing loans and borrowings	**195,062,307**	188,095,802	**195,059,318**	188,094,240
Cash at bank and on hand	**(47,444)**	(947,295)	**(32,351)**	(24,686)
Net debt	**195,014,863**	187,148,507	**195,026,967**	188,069,554
Equity	**1,980,276,696**	1,885,833,251	**1,651,673,751**	1,580,573,926
Net unrealised gains reserve	**(126,088,248)**	(85,359,415)	**(126,088,248)**	(85,359,415)
Total capital	**1,854,188,448**	1,800,473,836	**1,525,585,503**	1,495,214,511
Capital and net debt	**2,049,203,311**	1,987,622,343	**1,720,612,470**	1,683,284,065
Gearing ratio	**10%**	9%	**11%**	11%

Net unrealised gains reserve represents fair value changes on available-for-sale financial assets.

21. SEGMENT INFORMATION

The Group presents segmented information using business segments and also present geographical segments. This is based on the internal management and financial reporting systems and reflects the risks and earnings structure of the Group. Management monitors the operating results for its business units separately for the purpose of making decisions about resource allocation and performance assessment.

Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements.

21. SEGMENT INFORMATION (CONTINUED)

THE GROUP

The segment results of the Group are as follows:

June 30, 2015

	Rental	Investment income	Head office	Total
	Rs.	**Rs.**	**Rs.**	**Rs.**
Revenues	**22,421,846**	**1,501,575**		**23,923,421**
Depreciation	**-**	**-**	**(725,185)**	**(725,185)**
Segments results	**87,680,814**	**(7,213,029)**	**(10,965,662)**	**69,502,124**
Finance costs				**(15,139,318)**
Profit before tax				**54,362,806**
Income tax expense				**(95,759)**
Profit for the year				**54,267,047**

June 30, 2014

	Rental	Investment income	Head office	Total
	Rs.	Rs.	Rs.	Rs.
Revenues	23,008,464	3,228,988	-	26,237,452
Depreciation	-	-	657,607	657,607
Segments results	17,613,328	(2,116,261)	(5,947,825)	9,549,241
Finance costs				(14,783,603)
Loss before tax				(5,234,362)
Income tax expense				(222,082)
Loss for the year				(5,456,444)

The segment assets and liabilities and capital expenditure of the Group are as follows:

June 30, 2015

	Rental	Investment income	Head office	Total
	Rs.	**Rs.**	**Rs.**	**Rs.**
Segment assets	**1,862,133,759**	**308,357,630**	**10,440,314**	**2,180,931,703**
Segment liabilities	**195,102,569**	**1,618,700**	**3,933,738**	**200,655,007**
Capital expenditure	**543,548**	**-**	**543,548**	**1,087,096**

UNITED DOCKS LTD AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2015

21. SEGMENT INFORMATION (CONTINUED)

THE GROUP (CONTINUED)

June 30, 2014

	Rental	Investment income	Head office	Total
	Rs.	**Rs.**	**Rs.**	**Rs.**
Segment assets	1,798,856,940	269,765,697	12,881,470	2,081,504,107
Segment liabilities	188,129,923	1,011,422	6,529,512	195,670,856
Capital expenditure	805,567	-	805,567	1,611,133

Segment assets consist primarily of property, plant and equipment, investment properties, receivables, investments and cash and cash equivalents. Segment liabilities comprise operating liabilities . Capital expenditure comprises additions to property, plant and equipment.

The main activity of the Group is that of holding of investment properties and the Directors consider the segmental reporting disclosure to be sufficient.

All revenues from external customers are attributable to the country of domicile. There is only one rental customer which generates more than 10% of the revenue of the Group and Company amounting to Rs. 4.5m.
This relates to the rental income segment.

22. RELATED PARTY DISCLOSURES

THE GROUP

	Interest income/interest expense	Pension contribution	Amount owed to	Amount owed by
	Rs.	**Rs.**	**Rs.**	**Rs.**
June 30, 2015				
United Docks Superannuation Fund*	**(32,675)**	**-**		**-**
	(32,675)	**-**	**-**	**-**
June 30, 2014				
United Docks Superannuation Fund*	90,626		1,370,000	-
	90,626	-	1,370,000	-

** Related party relationship arises with common directorship in both United Docks Limited and United Docks Superannuation Fund.*

22. RELATED PARTY DISCLOSURES (CONTINUED)

THE COMPANY	Interest income/interest expense	Pension contribution	Amount owed to	Amount owed by
	Rs.	Rs.	Rs.	Rs.
June 30, 2015				
Subsidiaries:				
UDL Investments Ltd	-	-	-	**12,610,075**
United Properties Ltd	-	-	-	**731,378,753**
United Docks (Overseas Investments) Ltd	-	-	-	**128,084,586**
Uptown Development Company Ltd	-	-	-	**172,075**
Fanfaron Advertising Ltd	-	-	-	-
Other related parties:				
United Docks Superannuation Fund*	**(32,675)**	-	-	-
	(32,675)	-	-	**872,245,489**

THE COMPANY	Interest income/interest expense	Pension contribution	Amount owed to	Amount owed by
June 30, 2014	Rs.	Rs.	Rs.	Rs.
Subsidiaries:				
UDL Investments Ltd	-	-	-	12,570,525
United Properties Ltd	-	-	-	731,306,953
United Docks (Overseas Investments) Ltd	-	-		127,638,786
Uptown Development Company Ltd	-	-	-	135,575
Fanfaron Advertising Ltd	127,889	-	3,019,917	-
Other related parties:				
United Docks Superannuation Fund*	90,626	-	1,370,000	-
	218,515	-	4,389,917	871,651,839

For the financial year ended June 30, 2015, the Company assessed that no provision for impairment losses relating to amounts owed by related parties is necessary (2014: nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the entity related party operates.

The inter-company balances are payable on demand and is interest free.

KEY MANAGEMENT PERSONNEL COMPENSATION

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
	Rs.	Rs.	**Rs.**	Rs.
Salaries and short-term employee benefits	**4,457,819**	3,522,661	**4,457,819**	3,522,661
Severance allowance	**1,675,956**	-	**1,675,956**	-

UNITED DOCKS LTD AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2015

22. RELATED PARTY DISCLOSURES (CONTINUED)

KEY MANAGEMENT PERSONNEL COMPENSATION (CONTINUED)

(i) Key management personnel includes executive directors and top level management personnel. The compensation includes short-term employee benefits only.

(ii) The remaining transactions have been made on normal commercial terms and in the normal course of business.

(iii) United Docks Superannuation Fund is the pension fund of the company.

23. FINANCIAL INSTRUMENTS

Except where otherwise stated,the carrying amount of the Group's and Company's financial assets and financial liabilities approximate their fair values. The interest-bearing loans and borrowings carrying amounts approximate fair value.

They are allocated as level 2 items in the fair value hierarchy, with the significant input in determining fair value being the applicable interest rates. The technique used to determine the fair value is the discounted cash flow method.

24. CONTINGENT LIABILITY

There are pending litigations in respect of court cases against the Company for an amount of approximately Rs 10m for which Management believes that the possibility of any outflow in settlement is remote.

25. CONTINGENT ASSET

On 11th February 2015, Building No 4 situated at Albion Docks was damaged by fire. The Insurer Mauritius Union has agreed to pay Rs 10,332,900 as compensation.

However, United Docks has judged this amount to be insufficient and instead claimed an amount of Rs 15,018,490. The difference namely Rs 4,685,590 has been treated as a contingent asset in the financial statements.

Proxy Form / Postal Vote Form

UNITED DOCKS LTD

I/We,..of ....

being a member/members of the abovenamed Company, do hereby confirm that I/We shall not attend the Annual Meeting of the Company to be held on Wednesday 16 December 2015 at 10.00 a.m. and at any adjournment thereof.

1. Proxy Form (Option 1)

I hereby appoint..of..

or failing him/her,...of...

or the Chairperson as my/our proxy to vote for me/us and on my/our behalf at the Annual Meeting of the Company to be held on Wednesday 16 December 2015 at 10.00 a.m. and at any adjournment thereof.

2. Postal Vote (Option 2)

I/We direct my/our vote in the following manner:

Ordinary Business:

		FOR	AGAINST	ABSTAIN
1.	To receive and adopt the annual report and financial statements of the Company and of the Group for the year ended 30 June 2015 and the report of the auditors thereon			
2.	To re-elect the following persons as directors of the Company to hold office until the next Annual Meeting (as separate resolutions):			
	2.1 Mr M. H. Dominique Galéa			
	2.2 Mr I. Ibrahim Bahemia			
	2.3 Mr J. Alexis Harel			
	2.4 Mr M. Nadeem Lallmamode			
	2.5 Mrs L. M. C. Michele Lionnet			
	2.6 Mr M. E. Cyril Mayer			
	2.7 Mr K. H. Bernard Wong Ping Lun			
	2.8 Mr Nitin Pandea			
3.	To note that Ernst & Young, having indicated their willingness to continue in office, will be automatically re-appointed as auditors and to authorise the directors to fix their remuneration.			

Signed: ______________________ Date: ____________________

- If you wish to apppoint a proxy (whether a member or not) to attend and vote in your stead, please tick the appropriate box how you wish to vote, sign and date in the space provided and return it to the Registered Office of the Company, Kwan Tee Street, Caudan, Port Louis on Tuesday 15 December 2015 at 10.00 a.m. at latest. If no specific direction as to voting is given, the proxy will exercise his/her discretion as to how he/she votes.
- Proxy forms are available with the Managing Director at the Registered Office of the Company.
- If you wish to cast a postal vote, please tick the appropriate box how you wish to vote, sign and date in the space provided and return it to to **SBM Fund Services Ltd, Level 3, State Bank Tower, 1, Queen Elizabeth II Avenue, Port Louis** by Friday 11 December 2015 at 10.00 a.m. at latest.
- Postal vote forms are available with the Managing Director at the Registered Office of the Company.

UNITED DOCKS LTD

Kwan Tee Street,
Caudan,
Port Louis.
Republic of Mauritius

Tel : +230 212 3261
Fax : +230 212 3642

Email : contact@uniteddocks.com

www.uniteddocks.com