CreditAccess
Asia

Annual Report FY 2017

For the year ended
31 March 2017

Contents

General information

Mission

CreditAccess Asia N.V. (the `Company´) and its subsidiaries (jointly referred to as the `Group´) provides high quality and simple financial services to the unbanked segment of micro and small businesses in India and South-East Asia.

Core activities

Products & Services - The Group offers simple and transparent loan products,

- Group lending products to micro businesses, with a typical loan size of between € 200 and € 500
- Individual lending products to small businesses, with a typical loan size of between € 500 and € 2,000

Besides credit services, the Group also offers other financial services such as health insurances, life insurances and pension services.

Geographical areas - The Group's head office is located in the Netherlands and its Operating Companies (`OpCos´) are located in Asia. It started operations in India in 2008, and then expanded operations in Indonesia in 2012 and the Philippines in 2014. The three Operating Companies are:

- Grameen Koota Financial Services Pvt Ltd in India (CAA-GK)
- PT Bina Artha Ventura in Indonesia (CAA-BAV)
- Microventures Philippines Financing Company, Inc. doing business under the name and style of OnePuhunan (trading name `OnePuhunan´) in the Philippines (CAA-OP)
  - Formerly known as Microventures Philippines Financing Company, Inc.

CreditAccess Vietnam started in 2016 and is currently in pilot phase.

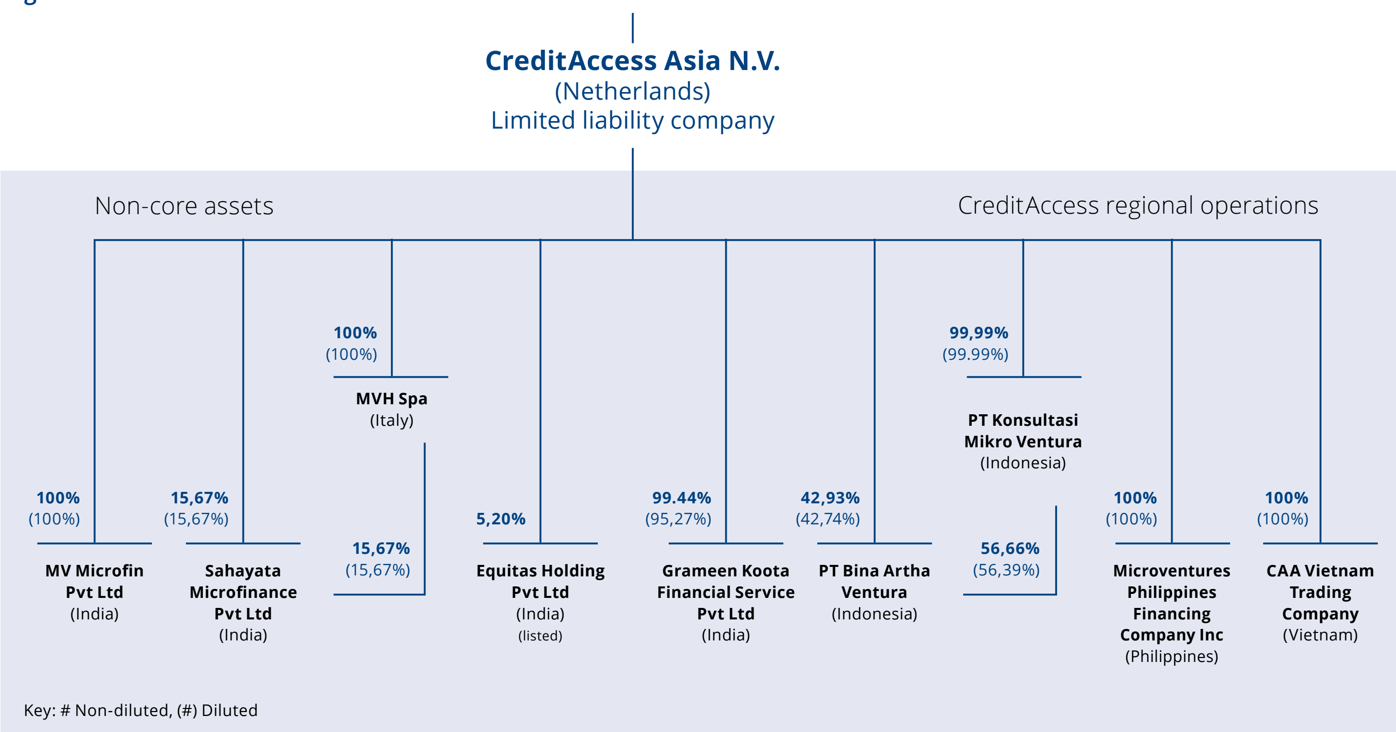
Customers - The Group's core customers are low-income self-employed individuals, usually managing a small trade business or operating in agriculture-related activities, earning between € 2 and € 10 a day. In addition, the Group serves a higher customer segment, composed of small businesses, usually generating income between € 10 and € 100 per day.

Business Strategy

The Group envisions achieving the following medium term strategic and financial goals by FY 2020:

- 6 million customers
- € 2.0 billion loan portfolio
- 20% return on average equity
- Listing the Company on a stock exchange in a major market

Legal structure as at 31 March 2017



Course of events during the financial year

The unexpected and sudden decision on 16 November 2016 by the government of India to demonetise high value currency notes (all INR 500 (€ 7) and INR 1,000 (€ 14) banknotes made void and gradually replaced by new INR 500 (€ 7) and INR 2,000 (€ 28) banknotes) and the subsequent local political interference has had a significant impact on our industry and CAA-GK´s operations. Despite the adverse market conditions, CAA-GK continued to outperform the industry average results.

The main impact on CAA-GK performance was:

- Additional provisioning of € 15 million to cover the risk of losses from non-performing assets
- Reduction in net profits to € 10 million from € 20 million target
- Reduction in annual growth rate to 20% from 60% target

In the aftermath of demonetisation and local political interference in India, we have so far witnessed a solid and continuous recovery trend of the loans in arrears. If this trend continues at this pace, we estimate that CAA-GK will eventually be able to cover the final write-off with the current provision only.

Summary of other events:

- Group consolidated annual revenues from net interest and fee income rose 66% to approximately € 61.4 million
- Consequently, Group consolidated total income rose 66% from last financial year to € 62.2 million
- Group consolidated operating results increased by 9% to € 5.5 million
- After the Group results from value adjustments and taxation, the net result was € 575 thousand positive compared to € 2.9 million negative in FY 2016
- The Company sourced € 110 million additional equity investment from Asian Development Bank (ADB), Istituto Atesino di Sviluppo S.P.A. and through conversion of the Company's convertible bonds by existing investors. Convertible bond of Olympus Capital Asia was fully converted and the IPO incentive bond for Private Individuals was 50% converted in March 2017 (`March equity increase´)
- CAA-BAV reached breakeven point as of 31 March 2017 on an annual basis
- CAA-OP has experienced 174% increase in revenues from interest and fee income compared to FY 2016
- CAA-OP changed its legal name as on 23 March 2017 to Microventures Philippines Financing Company, Inc. doing business under the name and style of OnePuhunan (trading name `OnePuhunan´)
- The Company has successfully floated Equitas Holdings on the Mumbai stock exchange in April 2016. The Group sold 16,975,484 shares in the `Offer for Sale´ at a price of INR 110 per share for a total consideration of € 24.5 million or an annualised IRR of 23% (before tax) on the divested portion. The Company still holds 5% of the stock which currently trades at 169.55 INR per share (as per 31.03.2017) or equal to a total market value of € 42.9 million.
- The company performed the following equity investments in its subsidiaries in FY17:
  - CAA-GK: Primary equity investment of € 20.5 million via plain equity
  - CAA-GK: Primary equity investment of € 28.5 million via Compulsory Convertible Debenture
  - CAA-GK: Purchase of shares from minority shareholders for € 3.5 million. Furthermore, the remaining amount of the liability towards minority shareholders was fully settled in cash during FY17 for € 18.5 million
  - CAA-OP: Primary equity investment € 2.5 million, paid in FY16 but equity allocation process was completed in FY17
  - CAA-CAV: Primary equity investment of € 0.5 million

Consolidated Result for the FY 2017

The operating result is € 5.5 million positive, (FY2016: € 5.1 million) and the net result is € 0.6 million positive (FY 2016: € 2.9 million negative). Similarly to previous financial years, the consolidated results were affected by nominal charges deriving from specific extraordinary transactions. It is important to note that these notational charges do not generate cash payments. Were these charges to be reversed from the profit and loss accounts, the operating result and the net result would be € 10.9 million positive and € 14.9 million positive respectively.

The most significant notional charges were:

Olympus Bond

- € 3 million financial charges incurred by the Company due to the notional interest over the Olympus Bond, although these were payable by the Company only in case of redemption of the bond. The bond, and its notional interest, were eventually converted into equity in March 2017 (See reference A in table below)
- € 7.8 million financial charges incurred by the Company due to the increase of fair valuation of the derivative component embedded in the Olympus bond (See reference D in table below).
- € 960 thousand foreign exchange charges were accrued against the USD denominated Olympus bond, but the bond was eventually converted in to equity in March 2017, hence no amount was owed to Olympus (See reference C in table below).

IPO Incentive Bond

- € 1.6 million financial charges incurred by the Company on the IPO Incentive Bond to reflect the notional interest rate of approximately 12% as oppose to the coupon rate of 6.5%. These notional charges are offset via equity upon conversion into equity in March 2017 (See reference A in table below).

CAA-GK Brand

- € 663 thousand net of tax depreciation charged to the Company due to the amortisation of the Grameen Koota brand, which is recognised under the IFRS standards and amortised over 5 years (See reference B in table below)

Furthermore, the total comprehensive income, which includes the change in fair value of Equitas and the FX effects on equity of subsidiaries, is € 17.7 million positive (FY2016: € 300 thousand negative). If notational charges were to be omitted, the total comprehensive income would be € 32.0 million positive (FY 2016 € 7.1 million).

For clarification purposes, the following table shows the restated Income statement as it would appear without notional charges. This helps to obtain a better understanding of the result of the core business, sanitized of the notional charges linked to specific extraordinary transactions:

Consolidated statement of comprehensive income excluding notional items

Item	Amount (€)	Reference
Interest income and fees	114,946,109	
Interest expenses and fees	(48,818,769)	A
Net interest income and fees	**66,127,340**	
Other income	793,111	
Loan loss provision & write-off	(15,178,393)	
Personnel expenses	(25,705,450)	
Depreciation and amortization	(1,770,599)	B
Other operating expenses	(13,391,796)	
Operating result before value adjustments	**10,874,213**	
Result from foreign currency denominated transactions	(84,526)	C
Result from financial instruments	-	D
Realised gains from disposal of shares in Equitas Holdings	13,253,325	
Result before taxation	**24,043,012**	
Taxation on result	(9,095,915)	
Net result for the period	**14,947,097**	

Consolidated statement of comprehensive income excluding notional items

Other comprehensive income		
Item	**Amount (€)**	**Reference**
Non realised change in fair-value of shares in Equitas Holdings PVT	17,300,861	
Gains from disposal of available-for-sale investments (moved above because realised)	(13,948,305)	
Foreign exchange results arising on translation of foreign operations (equity in subs.)	10,178,753	
Income tax relating to components of other comprehensive income	3,556,536	
Total comprehensive income for the period	**32,034,942**	

State of affairs as at balance sheet

Balance sheet position

The consolidated Group balance sheet total, as at the end of financial year 2017, was € 629 million, an increase of € 122 million compared with FY 2016. The key assets are the loan portfolio to customers, € 484 million, and an equity participation in Equitas Holdings PVT Ltd with a fair value of € 42.9 million.

Quality of Portfolio

We have changed the way we report on actual percentage of loan portfolio in arrears to align it with the broader finance industry understanding.

The initial metric, Portfolio At Risk (PAR), is largely misunderstood outside our industry because it considers the entire outstanding loan amount in arrears, whereas, in reality, the actual arrear amount is a smaller percentage of the total outstanding loan. Hence we decided to monitor and communicate the actual arrear amounts as it is easier to understand and to compare with comparable companies in other industries.

The table shows a comparison of the new method with the previous method:

Operating Company	Arrears (as percentage of loan portfolio, Net of write-off) – New method	PAR (the percentage of the loan portfolio with payments more than 30 days overdue) - previous method
CAA-GK	3.30%	11.90%
CAA-BAV	3.23%	4.00%
CA-OP *	3.01%	3.10%

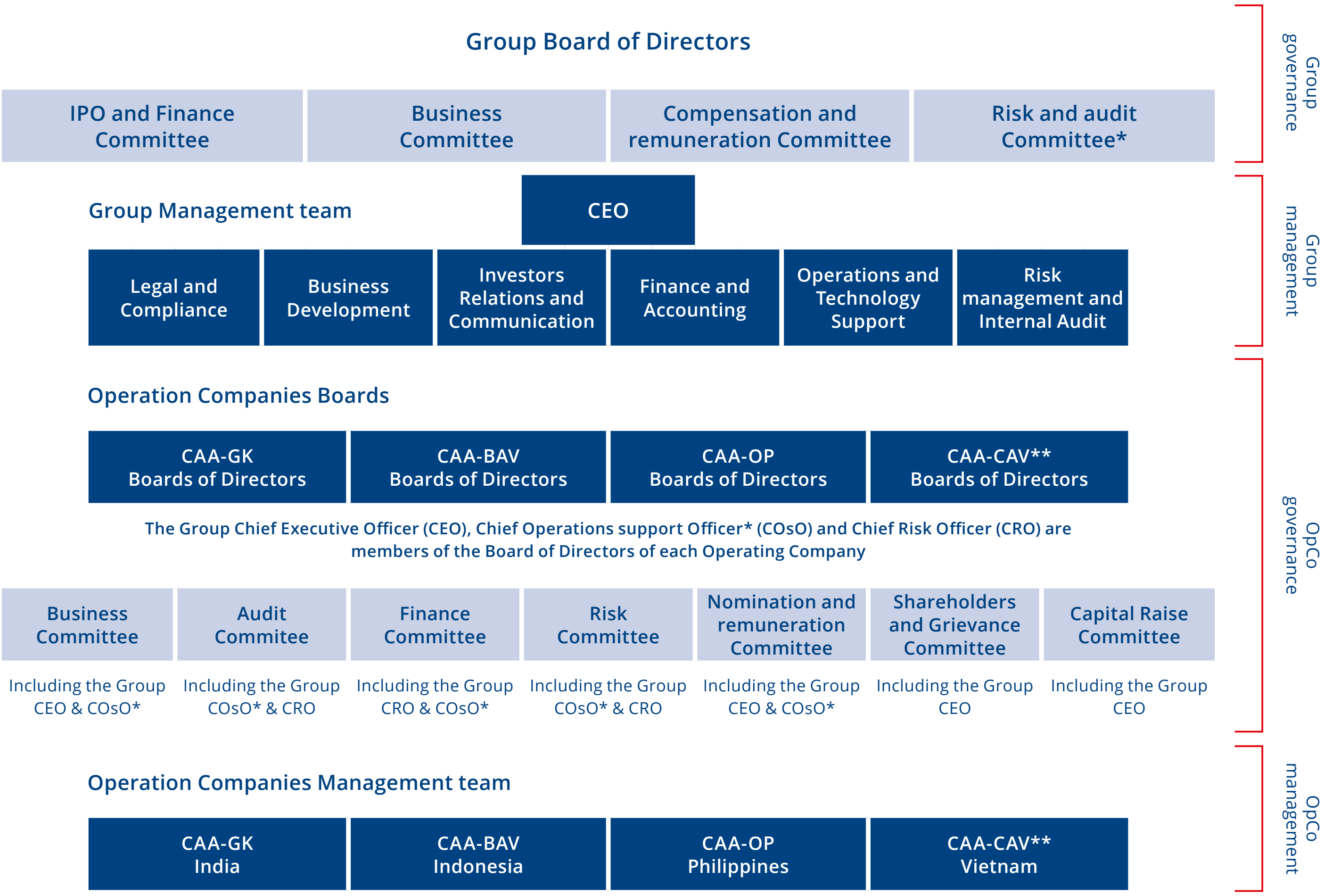
* The figures contain legacy arrears as no Write-off policy has been applied in the previous years; however, this financial year (FY 2018) it will be.

Interest-bearing debt

Group net interest-bearing debt amounted to € 409 million at March 2017, a net increase of € 33 million compared with FY 2016, but in real terms additional € 85 million borrowings were sourced during this financial year. Currently, the Group's borrowing needs are financed by 60+ lenders, mainly consisting of local and international banks, international MIVs (Microfinance Investment Vehicles) and DFIs (Development Finance Institutions). In the medium term, the Company is aiming for further diversification of its funding sources in order to mitigate financial dependence and to optimize (i.e. lower) the average interest rate.

Organisation and Governance structure

The Group has a two-tier governance structure, first tier is at the Company level and second tier is at each Operating Company level. Each tier has its own board and committees to steer, supervise, control and monitor the business. The management team of the Group connects the two tiers of governance to provide effective control and management.



* In progress of recruiting or setting up.
** Vietnam is still in Pilot phase.

Note: Not all committees are present in our smaller OpCos. These are gradually being introduced.

Significant risks and uncertainties

The Group's risks and mitigation:

- Group governance risk - The two tier governance system provides local management the ability to manage and control risk, through their local governance structure, and report major issues up to the Group board and committees
- Portfolio concentration risk - The diversity of the markets in which it operates (both geographically, such as different countries and different states within each country, and in terms of customers)
- Monitoring risk - Risk methodology based on monitoring Key Risk Indicators (KRI) within each category. KRIs are regularly updated to keep pace with organisational changes and process improvements. They are subsequently reported to the relevant board and committees on a quarterly basis
- Reporting risk - Compliant and transparent reporting systems provide timely, accurate and informative reports.
- HR management risk - Strength of local brands, company culture, training programmes and proactive and responsible management style attract and retain skilled workforce.

Key Risks

Operational risks

Each Operating Company controls operational risks through multiple layers of internal and external controls: Operating Procedures, IT System, Quality Assurance, Internal Audit and External Audit.

Operating Companies apply a comprehensive approach to internal control and risk management through regularly controlling and reporting to their respective Board, and Committees, appropriate to their size and scale.

Financial risks

The financial risks to which the Group is exposed to are:

- Credit risk - mitigated through our group lending methodologies for selection of customers, individual credit scoring and external factors such as geography, type of business, expansion of exposure to vintage customers, short tenure and quick turnaround of cash flow.
- Liquidity risk - mitigated through diversification of lending sources across sectors (e.g. from mission driven funds to commercial mutual funds), different debt instruments and tenures, and across geographies. This limits concentration risk against any specific sector, maintaining a healthy capitalization of the businesses and structure of the asset and liabilities (assets with relatively shorter maturity compared to external borrowings).
- Interest rate risk – mitigated through relatively short loan tenure therefore they can be recycled quickly. Additionally, the growth phase of the business and a dynamic pricing policy lets us maintain a healthy net interest margin.

Management statements

The financial statements and the annual report have been prepared in accordance with the applicable laws of the Netherlands and the International Financial Reporting Standards (IFRS) which have been adopted by the European Union.

The financial statements offer a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and its consolidated companies.

The Director´s report offers a true and fair view of the position at the balance sheet date, the course of business during the financial year of the Company and its group companies included in the annual financial statements and describes the principal risks to which the Company is exposed.

Corporate social responsibility

The Group is compliant to local laws and regulations. In addition, group wide policies have been implemented over and above the local requirements.

The Company aims for the highest level of transparency, integrity, fairness and professionalism in all its operations. The Group strives to:

- Execute social leadership programmes for top management and all operational leaders;
- Continue with social and environmental programmes and exchanging best practices across the Operating Companies, and
- Increase transparency of HR and social performance data.

The Group uses internationally recognised customer protection principles. These principles guide all employees in conducting the core business of providing responsible financial services to the Company's customers. In addition to adding value by offering access to financial services, the Group also provides additional benefits to its customers and their families through specific socially responsible initiatives that are undertaken directly by the Operating Companies. The overall aim is to help customers to improve their standard of living.

Financial and non-financial performance indicators regarding environment and personnel

Expansion of our operating companies on an annual basis is on the rise:
- 28% increase in new branches. Current total is 736
- 38% increase in full time equivalent personnel. Current total is 7,812
- 26% increase in customers. Current total is 1,823,210
- 35% increase in overall financing to customers. Current total is € 484 million

Board of Directors

The Company is managed by a one-tier board which reports to the General Meeting of Shareholders. The composition of the board has changed this financial year and now comprises of the following:

Board members	Date of appointment	Date of resignation
Mr. K.J.M. Slobbe (Chairman)	12-06-2014	
Mr. P. Brichetti (CEO)	12-06-2014	
Mr. G. Siccardo	11-10-2014	
Mr. F.G.M. Moccagatta	11-10-2014	
Mr. D.R. Mintz	24-12-2015	
Mr. F. Carini	24-03-2017	
Mr. J.L. Epstein	24-03-2017	
Ms. C.A. Engstrom	24-03-2017	
Mr. D. Legger	20-03-2014	21-03-2017
Ms. M. Pittini	11-10-2014	21-03-2017
Mr. W.L. Nienhuis	11-10-2014	21-03-2017
Mr. E.M.T. Ludding	11-10-2014	21-03-2017
Mr. A. Stoffella	26-03-2015	21-03-2017

*Only the CEO is an Executive Director. All other members are non-Executive Directors.

The Company aims to have a gender balance by having at least 30% men and at least 30% women amongst its Board members. However, due to the fact that the Company needs to balance several relevant selection criteria when composing its Board (including, but not limited to, gender balance, executive experience, experience in the financial services and general industry), the composition of the Board did not meet the gender balance objective in financial year 2017. We will continue our mission to eventually have more gender balance among our board members.

Compensation of Directors

All members of the board are remunerated based on the compensation policy as adopted by the General Meeting of Shareholders held on 26 March 2015.

Future outlook

The Group will continue to focus on executing its ambitious growth plans, thereby maintaining its leading position in its industry across India and South-east Asia. This entails the expansion of its position in the geographical markets in which it is already active, increasing its loan portfolio and customer base organically, while at the same time focusing relentlessly on optimising operational processes, leveraging cross synergies and implementing technological innovations to stay ahead of competition.

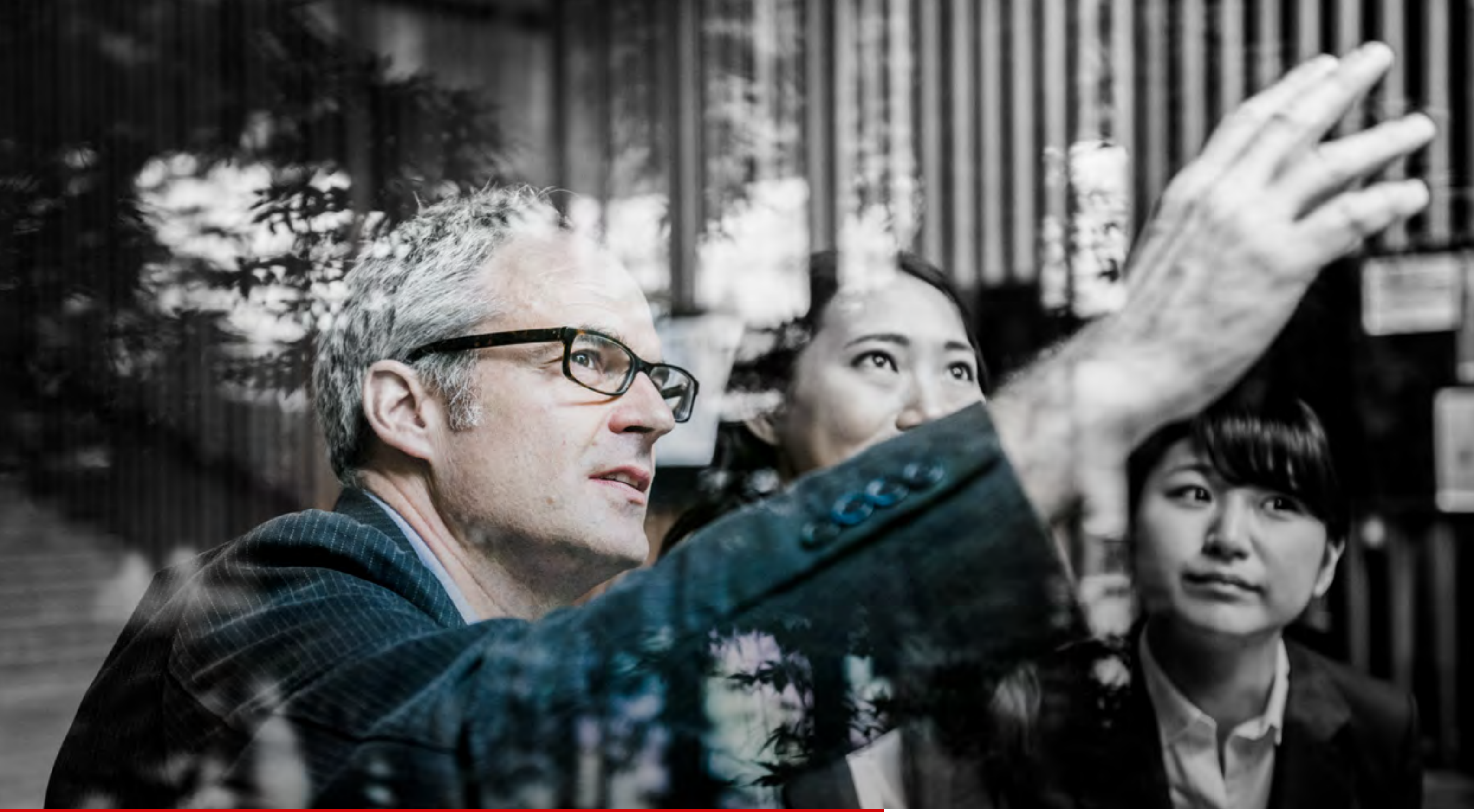
Board of Directors:

Executive Board:
P. Brichetti (Chief Executive Officer of the Company)
D. Legger (until 21 March 2017)
W.L. Nienhuis (until 21 March 2017)

Non-executive Board:
K.J.M. Slobbe (Chairman of the Company)
F. Carini (from 24 March 2017)
C. Engstrom (from 24 March 2017)
J. Epstein (from 24 March 2017)
E. M.T. Ludding (until 21 March 2017)
D.R. Mintz
F.G.M. Moccagatta
M. Pittini (until 21 March 2017)
G. Siccardo
A. Stoffella (until 21 March 2017)

The financial statements were approved and authorised for issue on behalf of the Board of Directors on 7 September 2017 and were signed on its behalf by:

Paolo Brichetti (CEO)
Amsterdam, 25 September 2017



Financial statements FY 2017

For the year ended 31 March 2017

Contents

Consolidated statement of comprehensive income/(loss)

	Note	2016/2017 EURO	2015/2016 EURO
Interest income and fees	6	114,946,109	74,263,452
Interest expenses and fees	7	-53,529,611	-37,345,581
Net interest income and fees		**61,416,498**	**36,917,871**
Other income	8	793,111	492,064
Total income		**62,209,609**	**37,409,935**
Loan loss provision & write-off	9	-15,178,393	-1,042,283
Gross result		**47,031,216**	**36,367,652**
Personnel expenses	10	25,705,450	18,363,306
Depreciation and amortisation	11	2,433,656	1,943,103
Other operating expenses	11	13,391,796	10,980,081
Operating expenses		**41,530,902**	**31,286,490**
Operating result before value adjustments		**5,500,314**	**5,081,162**
Results from foreign currency denominated transactions		-1,247,438	2,165,574
Results from financial instruments	12	-7,835,751	-4,946,385
Realised gains from disposal of Available-for-sale investments	19	13,253,325	-
		4,170,136	**-2,780,811**
Result before taxation		**9,670,450**	**2,300,351**
Taxation on result	13	-9,095,915	-5,219,631
Net result for the period		**574,535**	**-2,919,280**

	Note	2016/2017 EURO	2015/2016 EURO
Other comprehensive income:	29		
Items that will not be reclassified to profit or loss:			
Re-measurements of defined benefit pension schemes		-	-
Share of associates' other comprehensive income		-	-
Tax relating to items that will not be reclassified		-	-
		-	**-**
Items that will or may be reclassified to profit or loss:			
Change in fair value available-for-sale investments		17,300,861	15,119,128
Cumulative gains from disposal of Available-for-sale investments		-13,948,305	-
Foreign exchange gains/(losses) arising on translation of foreign operations		10,178,753	-8,932,459
Income tax relating to components of other comprehensive income		3,556,536	-3,557,820
		17,087,845	**2,628,849**
Other comprehensive income for the year, net of tax		17,087,845	2,628,849
Total comprehensive income/(loss) for the year		**17,662,380**	**-290,431**
Net result for the year attributable to:			
Owners of the parent		516,784	-5,015,228
Non-controlling interest		57,751	2,095,948
		574,535	**-2,919,280**
Total comprehensive income/(loss) for the year attributable to:			
Owners of the parent		17,604,629	-2,386,365
Non-controlling interest		57,751	2,095,934
		17,662,380	**-290,431**

Consolidated statement of financial position

	Note	31 March 2017 EURO	31 March 2016 EURO
Assets			
Non-current assets			
Intangible fixed assets	15	21,555,890	20,626,167
Tangible fixed assets	14	3,125,939	2,475,921
Available-for-sale investments	19	42,917,761	25,616,900
Financial assets at fair value through profit or loss		491,102	430,419
Loans and advances to customers	18	128,069,485	102,614,285
Deferred tax assets	26	7,651,418	1,988,457
Long-term receivables	21	2,514,975	5,737,845
		206,326,570	**159,489,994**
Current assets			
Accounts receivable	22	-	-
Available-for-sale investments	19	-	24,755,510
Loans and advances to customers	18	341,490,007	253,951,506
Other receivables	22	10,164,213	14,423,118
Cash and cash equivalents	36	71,280,913	54,674,996
		422,935,133	**347,805,130**
Total assets		**629,261,703**	**507,295,124**
Liabilities			
Non-current liabilities			
Finance debt	24	147,820,965	225,839,083
Trade and other payables	23	-	-
Financial liabilities at fair value through profit or loss	20	-	13,326,869
Deferred tax liabilities	26	743,882	4,583,289
Post employment benefit obligations	31	479,477	392,850
		149,044,324	**244,142,091**
Current liabilities			
Finance debt	24	261,563,165	150,191,234
Financial liabilities at fair value through profit or loss	20	-	13,655
Trade and other payables	23	10,489,214	30,444,159
Taxation and social security premiums	23	2,304,340	826,702
		274,356,719	**181,475,750**
Total liabilities		**423,401,043**	**425,617,841**
Assets minus liabilities		**205,860,660**	**81,677,283**

	Note	31 March 2017 EURO	31 March 2016 EURO
Capital and reserves attributable to owners of the Company			
Share capital	27	39,639,182	25,070,801
Share premium	28	123,639,815	31,041,645
Treasury shares	28	-321,452	-321,452
Revaluation reserve	28	31,700,924	24,791,832
Translation reserve	28	8,848,479	-1,330,274
Merger reserve	28	798,915	798,915
Other reserves	28	10,349,970	9,449,946
Retained earnings / (Accumulated losses)	28	-9,531,261	-10,048,045
		205,124,572	**79,453,368**
Non-controlling interest	17	**736,088**	**2,223,915**
Total equity		**205,860,660**	**81,677,283**
Total equity and liabilities		**629,261,703**	**507,295,124**

Consolidated statement of cash flows

	Note	2016/2017 EURO	2015/2016 EURO
Cash flows from operating activities			
Result before taxation		9,670,450	2,300,351
Adjustments for:			
Loan loss provision	9	15,178,393	1,042,283
Depreciation of tangible fixed assets	14	1,132,753	750,952
Impairment of property, plant and equipment	14	-	-
Amortisation of intangible assets	15	1,291,847	1,185,264
Impairment of intangible assets	15	-	-
Goodwill impairment charge	16	-	-
(Profit)/loss on disposal of tangible fixed assets		9,056	6,887
Stock options		154,099	76,997
Employee benefit obligations		324,088	229,012
Finance expenses		7,236,294	5,048,088
Unrealised foreign exchange (gain)/loss		1,425,504	-1,873,908
Results from financial instruments	12	7,835,751	4,946,385
Working capital movements:			
Trade and other receivables	22	-1,147,512	-1,738,217
Trade and other payables	23	-18,523,625	-1,994,929
Others		532,331	36,691
Bond interest paid		-2,600,000	-2,600,000
Income taxes paid		-13,579,121	-6,415,832
Loans granted		-525,747,492	-478,755,838
Loan repayments received		431,625,659	323,764,574
Net cash flows used in operating activities		**-85,181,525**	**-153,991,240**
Investing activities			
Purchases of tangibles and intangibles		-2,466,528	-2,353,796
Proceeds from sale of tangibles and intangibles		5,963	18,071
Net proceeds from sale of available-for-sale investments		16,703,012	1,432,137
Net proceeds / (placements) of margin money deposits and other liquid investments		3,513,478	4,389,295
Net cash from/(used in) investing activities		**17,755,925**	**3,485,707**

	Note	2016/2017 EURO	2015/2016 EURO
Financing activities			
Proceeds from issuance of ordinary shares		47,800,000	-
Proceeds from borrowings		250,854,788	288,354,920
Acquisitions of subsidiaries, net of cash required		-9,599,574	-
Purchase of shares from non-controlling interest holders		-22,026,225	-614,307
Repayments of borrowings		-186,996,551	-126,969,046
Net cash from financing activities		**80,032,438**	**160,771,567**
Net increase/(decrease) in cash and cash equivalents		**12,606,838**	**10,266,034**
Cash and cash equivalents at the start of the financial year		**54,674,996**	**47,783,515**
Cash and cash equivalents acquired from business combinations, other than merged entities		**-**	**-**
Net exchange (losses)/gains on cash and cash equivalents		3,999,079	-3,374,553
Cash and cash equivalents at end of period	36	**71,280,913**	**54,674,996**

Consolidated statement of changes in equity

	Share capital	Share premium	Treasury shares	Revaluation reserve/ Available-for-sale reserve	Translation reserve	Merger reserve	Other reserves	Retained earnings	Total equity attributable to owners of the company	Non-controlling interest	Total equity
	EURO	EURO	EURO	EURO	EURO	EURO	EURO	EURO	EURO	EURO	EURO
31 March 2016	**25,070,801**	**31,041,645**	**-321,452**	**24,791,832**	**-1,330,274**	**798,915**	**9,449,946**	**-10,048,045**	**79,453,368**	**2,223,915**	**81,677,283**
Capital increases/decreases	6,400,216	41,399,784	-	-	-	-		-	47,800,000	-	47,800,000
Conversions of convertible bonds	8,168,165	52,283,163	-	-	-	-	2,500,006	-	62,951,334	-	62,951,334
Transaction costs incurred	-	-1,084,777	-	-	-	-	-	-	-1,084,777	-	-1,084,777
Total contributions by owners	**14,568,381**	**92,598,170**	**-**	**-**	**-**	**-**	**2,500,006**	**-**	**109,666,557**	**-**	**109,666,557**
Comprehensive incom/(loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net result for the year	-	-	-	-	-	-	-	516,784	516,784	57,751	574,535
Other comprehensive Income/ (loss) for the year (note 29)	-	-	-	6,909,092	10,178,753	-	-	-	17,087,845	-	17,087,845
Total comprehensive income for the year	**-**	**-**	**-**	**6,909,092**	**10,178,753**	**-**	**-**	**516,784**	**17,604,629**	**57,751**	**17,662,380**
Other movements											
-	-	-	-	-	-	-	-	-	-	-	-
Total other movements	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Movements in non-controlling interest (note 17)	**-**	**-**	**-**	**-**	**-**	**-**	**-1,599,982**	**-**	**-1,599,982**	**-1,545,578**	**-3,145,560**
31 March 2017	**39,639,182**	**123,639,815**	**-321,452**	**31,700,924**	**8,848,479**	**798,915**	**10,349,970**	**-9,531,261**	**205,124,572**	**736,088**	**205,860,660**

	Share capital	Share premium	Treasury shares	Revaluation reserve/ Available-for-sale reserve	Translation reserve	Merger reserve	Other reserves	Retained earnings	Total equity attributable to owners of the company	Non-controlling interest	Total equity
	EURO	EURO	EURO	EURO	EURO	EURO	EURO	EURO	EURO	EURO	EURO
31 March 2015	**25,070,801**	**31,041,645**	**-321,452**	**13,230,524**	**7,602,185**	**798,915**	**-9,918,382**	**-5,032,817**	**62,471,419**	**11,810,328**	**74,281,747**
Capital increases/-decreases	-	-	-	-	-	-	-	-	-	-	-
Contribution due to mergers	-	-	-	-	-	-	-	-	-	-	-
Comprehensive income for the year											
Net result for the year	-	-	-	-	-	-	-	-5,015,228	-5,015,228	2,095,948	-2,919,280
Other comprehensive Income (note 29)	-	-	-	11,561,308	-8,932,459	-	-	-	2,628,849	-	2,628,849
Total comprehensive income/(loss) for the year	**-**	**-**	**-**	**11,561,308**	**-8,932,459**	**-**	**-**	**-5,015,228**	**-2,386,379**	**2,095,948**	**-290,431**
Other movement											
Increase in equity due to exercise/lapse of put obligation on shares in Grameen Koota Financial Services Pvt Ltd. (note 18)	-	-	-	-	-	-	10,459,228	-	10,459,228	-	10,459,228
Reclassification of preferred equity certificates (note 28)	-	-	-	-	-	-	8,909,100	-	8,909,100	-	8,909,100
Total other movements	**-**	**-**	**-**	**-**	**-**	**-**	**19,368,328**	**-**	**19,368,328**	**-**	**19,368,328**
Movements in non-controlling interest (note 17)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-11,682,361**	**-11,682,361**
31 March 2016	**25,070,801**	**31,041,645**	**-321,452**	**24,791,832**	**-1,330,274**	**798,915**	**9,449,946**	**-10,048,045**	**79,453,368**	**2,223,915**	**81,677,283**

Notes forming part of the consolidated financial statements

1. General

CreditAccess Asia N.V. (the "Company" or "CreditAccess") was incorporated on 20 March 2014 and has its legal seat in Amsterdam, the Netherlands. The principal activities of the Company are the holding and financing of CreditAccess group of companies (the "Group"). The main activity of the Group is providing financial services to micro- and small businesses and self-employed people in emerging countries.

The Company is registered at the Chamber of Commerce in Amsterdam under number 60281758 and has its registered address at Strawinskylaan 1043, tower C-10, 1077 XX Amsterdam.

2. Application of new and revised International Financial Reporting Standards (IFRS's)

a) New standards, interpretations and amendments effective from 1 April 2016

Implementation of new and revised IFRS-EU over the year ended 31 March 2017 did not have a material impact on our Consolidated Financial Statements. Accordingly, the Group has not made significant changes to its accounting policies in 2016-2017.
The amendment to IFRS's and the Annual Improvements to IFRS's that are effective for the first time in these annual financial tatements are as follows:
- Amendments to IAS 1 'Disclosure Initiative',
- Amendments to IFRS 11 'Joint Arrangements'

The adoption of these amendments did not have any substantial impact on the disclosures of the financial statements of the Group.

b) New standards, interpretations and amendments not yet effective

As of 31 March 2017 the following standards and interpretations have been issued. However these are not yet effective and/ or have not yet been adopted by the EU and the Group. Information on standards expected to be relevant to the CreditAccess Asia financial statements is provided below. Management anticipates that all relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the standards. New standards, interpretations and amendments are not adopted or listed below, the group expects those not to have a material impact on the CreditAccess Asia financial statements.

The most likely impacting new standards, interpretations and amendments are:

IFRS 9 'Financial Instruments'
IFRS 9 'Financial Instruments' was released by the IASB, representing the completion of its project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. The new IFRS 9 introduces extensive changes to IAS 39's guidance on the classification and measurement of financial assets and introduces a single, new 'expected credit loss' model for the impairment of financial assets. IFRS 9 also provides new guidance on the application of hedge accounting.

IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Except for hedge accounting, retrospective application is required but providing comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions.
Management has started to assess the impact of IFRS 9 but is not yet in a position to provide quantified information. At this stage the main areas of expected impact are as follows:

Classification and measurement

From initial assessment, the Group expects that:
- the majority of loans and advances to customers, short term receivables and cash balances that are classified as loans and receivables under IAS 39 would continue to be measured at amortized cost under IFRS 9,
- Financial assets held for trading and financial assets designated at fair-value through profit or loss (FVTPL) would continue to be measured at FVTPL under IFRS 9
- Equity investment classified as available for sale would be measured at either FVTPL or FVOCI (fair-value through Other Comprehensive Income) under IFRS 9

Hedge accounting

No hedge accounting is being applied at the moment.

Impairment of financial assets

There will be an impact on the provisioning to the loan portfolio ("Loans and avances to customers"), however Management is not yet in a position to provide quantified information.

IFRS 15 'Revenue from Contracts with Customers'

IFRS 15 presents new requirements for the recognition of revenue, replacing IAS 18 'Revenue', IAS 11 'Construction Contracts', and several revenue-related interpretations. The new standard is based on the principle that revenue is recognized when control of a good or service transfers to a customer, so the notion of control replaces the existing notion of risks and reward. A five-step process must be applied efore revenue can be recognized:
1. identify contracts with customers
2. identify the separate performance obligation
3. determine the transaction price of the contract
4. allocate the transaction price to each of the separate performance obligations, and
5. recognize the revenue as each performance obligation is satisfied.

Additionally, the new standard provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities. IFRS 15 has been adopted by the EU. However, the 'Clarifications to IFRS 15 Revenue from Contracts with Customers' (issued on 12 April 2016) has not been adopted yet. The effective date of IFRS 15 including the amendments in Clarifications to IFRS 15 is annual reporting periods beginning on or after 1 January2018. Management has started to assess the impact of IFRS 15 but is not yet in a position to provide quantified information.

IFRS 16 Leases

IFRS 16 was issued in January 2016. It will result in almost all leases being recognized on the Statement of Financial Position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognized. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change. IFRS 16 will affect primarily the accounting for the group's operating leases. Management has started to assess the impact of IFRS 16 but is not yet in a position to provide quantified information. IFRS 16 is mandatory for financial years commencing on or after 1 January 2019 and it has not yet been adopted by the EU.

Amendments to IAS 7: Disclosure Initiative

The amendments to IAS 7 Statement of Cash Flows (issued on in January 2016) include a requirement to explain changes in the entity's liabilities arising from financing activities. This includes changes arising from cash flows (e.g drawdowns and repayments of borrowings) and non-cash changes such as acquisitions, disposals, accretion of interest and unrealized exchange differences. The amendments are mandatory for financial years commencing on or after 1 January 2017 and they have not yet been adopted by the EU. They are expected to have limited impact on the disclosure to the financial statements.

Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealized Losses

Amendments made to IAS 12 in January 2016 clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. Specifically, the amendments confirm that:
- A temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period.
- An entity can assume that it will recover an amount higher than the carrying amount of an asset to estimate its future taxable profit.
- Where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.
- Tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profit that is used to evaluate the recoverability of those assets.

The amendments are mandatory for financial years commencing on or after 1 January 2017, while they have not yet been adopted by the EU. They are expected to have limited impact on the financial statements.

Amendments to IFRS 2: Classification and Measurement of Share-based Payment Transactions

These amendments (issued in June 2016) address the classification and measurement of share-based payment transactions for a number of situations where existing guidance is not clear. The following is a summary of the clarifications and additional guidance:

- The effects of vesting and non-vesting conditions on the measurement of a cash-settled share-based payment transaction are accounted for in accordance with the guidance for equity-settled share-based payments.
- Share-based payment transactions with certain net settlement features are classified as equity-settled if they would have been classified as equity settled without the net settlement feature. This applies to certain arrangements where an employer is required to withhold an amount for an employee's tax obligation related to a share-based payment, and pays the tax authority in cash.
- Accounting for a modification that changes the classification of a share-based payment agreement from cash-settled to equity-settled has been clarified with regard to the measurement of, and accounting for, the replacement equity-settled share-based payment, de-recognition of the liability, and accounting for any difference between the carrying amount of the liability and the amount recognized for the equity-settled award (these amounts will reflect the extent to which goods and services have been received at the date of modification).

The amendments are mandatory for financial years commencing on or after 1 January 2018 and they have not yet been adopted by the EU. They are expected to have limited impact on the financial statements.

Annual Improvements to IFRS Standards 2014-2016 Cycle

There were three amendments as part of the 2014-2016 Annual Improvements Cycle (issued in December 2016). These were made to IFRS 1 (which is not relevant for the Group), IFRS 12 and IAS 28. The scope of IFRS 12 was clarified to make it clear that the disclosure requirements in this Standard, except for those in paragraphs B10 - B16, apply to interests irrespective of whether they are classified as held for sale, as held for distribution to owners or as discontinued operations in accordance with IFRS 5.

IAS 28 was amended to specify that a qualifying entity may elect to measure investments in associates and joint ventures at fair value through profit or loss on an investment-by-investment basis, upon initial recognition. The amendments are to IFRS 12 and IAS 28 mandatory for financial years commencing on or after 1 January 2017 and 2018, respectively. They have not yet been adopted by the EU and are not expected to have material impact on the financial statements.

IFRIC 22 Foreign Currency Transactions and Advance Consideration

IFRIC 22 (issued in December 2016) addresses how to determine the date of transaction for the purpose of determining the spot exchange rate used to translate foreign currency transactions on initial recognition in circumstances when an entity pays or receives some or all of the foreign currency consideration in advance of the recognition of the related asset, expense or income. The interpretation states that the date of the transaction, for the purpose of determining the spot exchange rate used to translate the related asset, expense or income (or part of it) on initial recognition, is the earlier of: (a) The date of initial recognition of the non-monetary prepayment asset or the non-monetary deferred income liability; and (b) The date that the asset, expense or income (or part of it) is recognized in the financial statements. IFRIC 22 is mandatory for financial years commencing on or after 1 January 2018 and it has not yet been adopted by the EU. It is expected to have limited impact on the financial statements.

IFRIC 23 Uncertainty over Income Tax Treatments (issued on 7 June 2017, effective from 1 January 2019)

IFRIC 23 (issued In June 2017) clarifies how to apply the recognition and measurement requirements in IAS 12 Income Taxes when there is uncertainty over income tax treatments, addressing four specific issues

1. Whether an entity considers uncertain tax treatments separately;
2. The assumptions an entity should make about the examination of tax treatments by taxation authorities;
3. How an entity determines taxable profit or loss, tax bases, unused tax losses, unused tax credits and tax rates; and
4. How an entity considers changes in facts and circumstances

IFRIC 23 is mandatory for financial years commencing on or after 1 January 2019 and it has not yet been adopted by the EU. It is expected to have limited impact on the financial statements.

The following IFRS, IFRIC and amendments have not yet been adopted by the EU and are not expected to have material impact on the Group:

IFRS 17 Insurance Contracts (issued May 2017, effective 1 January 2021)

Amendments to IFRS 4: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (issued September 2016, effective 1 January 2018)

Amendments to IAS 40: Transfers of Investment Property (issued December 2016 effective 1 January 2018)

3. Summary of significant accounting policies

3.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), including International Accounting Standards (IASs), promulgated by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB as adopted endorsed by the European Union and with Section 2:362(9) of the Netherlands Civil Code.

According to the Articles of Association, the financial year of the Company runs from 1 April to 31 March.

The consolidated financial statements are presented in euros, which is also the Company's functional currency. Amounts are rounded to the nearest euro, unless otherwise stated.

The preparation of financial statements in compliance with adopted IFRS, requires the use of certain critical accounting estimates. It also requires the management to exercise judgment in applying the Group's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effects are disclosed in note 4.

Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis unless otherwise stated.

Fair value measurement

A number of assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- *Level 1:* Quoted prices in active markets for identical items (unadjusted).
- *Level 2:* Observable direct or indirect inputs other than Level 1 inputs.
- *Level 3:* Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group measures a number of items at fair value:
- Available-for-sale investments (valuation based on the stock exchange price, which is a level 1 valuation).
- Derivative Financial instruments (note 20).

For more detailed information in relation to the fair value measurement of the items above, please refer to the applicable notes.

3.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its controlled subsidiaries (including structured entities) and are prepared for the same reporting period as the Parent Company using consistent accounting policies.
Control is achieved when the Company:
- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassess 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 listed above.

When the Company has less than the majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:
- the size of the Company's holding of voting rights relative to the size and dispersion of holdings to the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control over the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year, are included in the consolidated statement of comprehensive income from the date the Company gains control until the date the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interest even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the stand-alone financial statements of subsidiaries to bring their local accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash-flows relating to transactions between members of the Group are eliminated in full on consolidation. Profits and losses resulting from inter-company transactions are also eliminated.

The list of all consolidated subsidiaries of CreditAccess as of 31 March 2017 is as follows:

Subsidiary	Place, country	Share on 31 March 2017	Share on 31 March 2016
Grameen Koota Financial Services Pvt Ltd	Bangalore. India	99.44%	96.54%
PT Konsultasi Mikro Ventura	Jakarta, Indonesia	99.99%	99.99%
PT Bina Artha Ventura	Jakarta, Indonesia	99.59%	99.59%
MicroVentures Philippines Financing Company, Inc. doing business under the name and style of OnePuhunan	Pasig City, Philippines	100.00%	99.97%
MV Microfin Private Limited	Bangalore, India	100.00%	100.00%
MVH S.p.A.	Brescia, Italy	100.00%	100.00%
CAA Vietnam Trading Company Ltd.	Ho Chi Min City, Vietnam	100.00%	-
Stichting CreditAccess Asia ("STAK CAA")	The Netherlands	n/a	n/a

The share percentage is reported on non-diluted basis, not counting stock option schemes for which equity shares may be issued at a future stage. PT Konsultasi Mikro Ventura, PT Bina Artha Ventura and MVH S.p.A. prepare their statutory accounts for a period that is different from that of the consolidated financial statements. These subsidiaries prepare statutory financial statements for the period ending 31 December, except for MVH s.p.A., which prepares the statutory financial statement for the period ending 30 June.

(a) Acquisition of subsidiaries

Subsidiaries are all entities (including structured entities) over which CreditAccess has control. CreditAccess applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred and the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values on the acquisition date. CreditAccess recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest’s proportionate share of the recognised amounts of acquiree’s identifiable net assets.

Acquisition-related costs are expensed as incurred. Any contingent consideration to be transferred by the Group is recognised at fair value on the acquisition date. Subsequent changes to the fair value of the contingent consideration, that is deemed to be an asset or liability, is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

(b) Disposal of subsidiaries

When CreditAccess ceases to have control, any retained interest in the entity is re-measured to its fair value on the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if CreditAccess had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Non-controlling interests

The total comprehensive income of non-wholly owned subsidiaries is attributed to owners of the parent and to the non-controlling interests in proportion to their relative ownership interests.

3.3 Accounting policies

Revenue

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. The following specific recognition criteria must also be met before revenue is recognised.

Interest, profit sharing from working capital and similar income and expenses

For all financial instruments measured at amortised cost, interest income or expense is recorded using the effective interest rate, which is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate,
to the initial net carrying amount of the financial asset or financial liability.

The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate, but not future credit losses.

The carrying amount of the financial asset or financial liability is adjusted if the Group revises its estimates of payments or receipts. The adjusted carrying amount is then calculated based on the original effective interest rate.

Once the recorded value of a financial asset or a group of similar financial assets has been reduced due to an impairment loss, interest income continues to be recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.
Profit sharing refers to income based on Islamic bank financing.

Fee and other income from operations

Fees and other income earned from services provided to customers are recognised depending on the type of service/income it regards:

Fee income earned from services that are provided over a certain period of time

Fees earned for the provision of services over a period of time are accrued over that period. Such fees include for example commission income and asset management, custody and other management and advisory fees.

Loan commitment fees for loans that are likely to be drawn down and other credit related fees are deferred (together with any incremental costs) and recognised as an adjustment to the effective interest on the loan. When it is unlikely that a loan will be drawn down, the loan commitment fees are recognised over the commitment period on a straight line basis.

Fee income from providing transaction services

Fees arising from negotiating or participating in the negotiation of a transaction for a third party, such as the arrangement of the acquisition of securities, are recognised on completion of the underlying transaction. Fees or components of fees that are linked to a certain performance are recognised after fulfilling the corresponding criteria.

Dividend income

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

Income from trading activities

Results arising from trading activities include all gains and losses from changes in fair value and related interest income or expense and dividends for financial assets and financial liabilities 'held-for-trading'.

Expenses that are directly attributable to the fee and commission income are included in the cost of revenues. Revenue and expenses that relate to the same transaction or other event are recognised simultaneously. Expenses can normally be measured reliably when the other conditions for the recognition of revenue have been satisfied. However, revenue should not be recognised when the expenses cannot be measured reliably; in such circumstances, any consideration already received for the sale of the services or goods is recognised as a liability.

Expenses recognition

Expenses are accounted for in the period they relate to, regardless of whether these have already resulted in payments in that particular period. Herewith any relation between recognised revenue and associated cost is taken into account.

Impairment of non-financial assets (excluding deferred tax assets)

Impairment tests on goodwill and other intangible assets with indefinite useful economic lives are undertaken annually at the financial year end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ('CGUs'). Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from a business combination that gives rise to the goodwill.

Impairment charges are included in profit or loss, except to the extent when they reverse gains previously recognised in other comprehensive income. An impairment loss recognised for goodwill is not reversed.

Associates

Where CreditAccess has the power to participate in (but not control) the financial and operating policy decisions of another entity, it is classified as an associate. Associates are initially recognised in the consolidated statement of financial position at cost. Subsequently associates are accounted for using the equity method, where CreditAccess' share of post-acquisition profits and losses and other comprehensive income is recognised in the consolidated statement of comprehensive income (except for losses in excess of CreditAccess' investment in the associate unless there is an obligation to make good those losses).

Profits and losses arising on transactions between the Group and its associates are recognised only to the extent of unrelated investor's interests in the associate. The investor's share in the associate's profits and losses resulting from these transactions is eliminated against the carrying value of the associate.

Any premium paid for an associate above the fair value of CreditAccess' share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the associate. Where there is objective evidence that the investment in an associate has been impaired, the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

Where CreditAccess, directly or indirectly, holds less than 20% of voting rights in an investment but it has the power to exercise significant influence, such an investment is treated as an associate. In the opposite situation where CreditAccess holds over 20% of voting rights (but not over 50%) and it does not exercise significant influence, the investment is treated as an available-for-sale investment. Details are given in note 19.

Foreign currency

Transactions entered into by Group entities in a currency other than the currency of the primary economic environment in which they operate (their "functional currency") are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling on the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in profit or loss, except for foreign currency borrowings qualifying as a hedge of a net investment in a foreign operation, in which case exchange differences are recognised in other comprehensive income and accumulated in the foreign exchange reserve along with the exchange differences arising on the retranslation of the foreign operation.

Exchange gains and losses arising on the retranslation of monetary available-for-sale financial assets are treated as a separate component of the change in fair value and recognised in profit or loss. Exchange gains and losses on non-monetary available-for-sale financial assets form part of the overall gain or loss recognised in respect of that financial instrument.

On consolidation, the results of overseas operations are translated into euros at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations, including goodwill arising on the acquisition of those operations, are translated at the rate ruling on the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income and accumulated in the foreign exchange reserve.

Exchange differences recognised in the profit or loss in Group entities' separate financial statements on the translation of long-term monetary items forming part of the Group's net investment in the overseas operation concerned are reclassified to other comprehensive income and accumulated in the foreign exchange reserve on consolidation.

On disposal of a foreign operation, the cumulative exchange differences recognised in the foreign exchange reserve relating to that operation up to the date of disposal are transferred to the consolidated statement of comprehensive income as part of the profit or loss on disposal.

Financial assets

The Group classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired.

Other than financial assets in a qualifying hedging relationship, the Group's accounting policy for each category is as follows:

Financial assets or financial liabilities held-for-trading

All derivatives concerned (except those designated hedging instruments) and financial assets acquired or held for the purpose of selling in the short term or for which there is a recent pattern of short-term profit taking, are held for trading. Financial assets or financial liabilities held-for-trading are recorded in the statement of financial position at fair value. Changes in fair value are recognised immediately in the income statement.

Included in this classification are debt securities, equities and short positions. The Group currently does not have any assets held for trading.

Fair value through profit or loss

These are carried in the statement of financial position at fair value with changes in fair value recognised in the consolidated statement of comprehensive income in the finance income or expense line. The Group's derivative instruments are not designated as hedging instruments.

Held-to-maturity financial investments

Held-to-maturity financial investments are non-derivative financial assets with fixed or determinable payments and fixed maturities, which the Group has the intention and ability to hold to maturity and are not designated on initial recognition as assets at fair value through profit or loss or as available-for-sale. After initial measurement, held-to-maturity financial investments are subsequently measured at amortised cost using the effective interest rate less impairment (IAS 39.46(b)). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. The amortisation is included in interest results. If the Company were to sell or reclassify more than an insignificant amount of held-to-maturity investments before maturity (other than in certain specific circumstances), the entire category would be tainted and would have to be reclassified as available-for-sale (IAS 39.9). Furthermore, the Company is prohibited from classifying any financial asset as held-to-maturity during the following two years.

Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. For the Groups this mainly relate to the loans and advances to customers and cash. They arise principally through the provision of goods and services to customers, but also incorporate other types of contractual monetary assets. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, minus provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Group will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For the loans and receivables to customers, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised under the Loan loss provision in the consolidated statement of comprehensive income.
On confirmation that the receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

From time to time, the Group elects to renegotiate the terms of trade receivables due from customers with which it has previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in the consolidated statement of comprehensive income (operating profit).

The Group’s loans and receivables comprise loans and advances to customers, other receivables and cash and cash equivalents in the consolidated statement of financial position.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and – for the purpose of the statement of cash flows
– bank overdrafts. Bank overdrafts are shown seperately in current liabilities on the consolidated statement of financial position.

Available-for-sale

Non-derivative financial assets not included in the above categories are classified as available-for-sale and comprise principally the Group’s strategic investments in entities not qualifying as subsidiaries, associates or jointly controlled entities.

They are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in available-for-sale reserve net of applicable income taxes until such investments are sold, collected or otherwise disposed of, or until such investment is determined to be impaired. Foreign exchange differences for foreign currency denominated investment in equity securities classified as available-for-sale are included in fair value changes. For interest-bearing securities classified as available-for-sale, exchange rate differences on investments denominated in a foreign currency and interest calculated using the effective interest method are recognised in profit or loss.

Where there is a significant or prolonged decline in the fair value of an available-for-sale financial asset (which constitutes objective evidence of impairment), the full amount of the impairment, including any amount previously recognised in other comprehensive income, is recognised in profit or loss.

Purchases and sales of available-for-sale financial assets are recognised on the settlement date with any change in fair value between trade date and settlement date being recognised in the revaluation reserve/available-for-sale reserve.

On sale, the cumulative gain or loss recognised in other comprehensive income is reclassified from the available-for-sale reserve to profit or loss.

Financial liabilities
The Group classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired.

Other than financial liabilities in a qualifying hedging relationship (see below), the Group's accounting policy for each category is as follows:

Fair value through profit or loss
This category comprises derivatives. They are carried in the consolidated statement of financial position at fair value with changes in fair value recognised in the consolidated statement of comprehensive income. The Group opted to designate one of its financial instruments as being at fair value through profit or loss in its entirety, which was the convertible preferred equity certificate liability as per 31 March 2015, which was however reclassified to equity during the reporting period ended 31 March 2016.

Other financial liabilities
Other financial liabilities include the following items:

- Borrowings, including finance debt and liability components of convertible debt instruments are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the consolidated statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

- Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

- The redemption liability for future share purchases in Grameen Koota towards part of the non-controlling shareholders, was valued at the expected settlement values of the exercised options. The value as per 31 March 2015 has been adjusted for the interest and the foreign exchange difference until 31 March 2016, while thereafter the remaining executed options, after de-recognition of the lapsed options, have been revalued to the expected settlement values. These adjustments were separately reported under the 'result from financial instruments' in the statement of comprehensive income.

The redemption liability was all settled in the financial year 2016/2017, so as per 31 March 2017 the redemption liability is nil.

Hedge accounting
No hedge accounting is being applied.

Share capital
Financial instruments issued by the Group are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The Group's ordinary shares are classified as equity instruments.

Treasury shares
Consideration paid/received for the purchase/sale of treasury shares is recognised directly in equity. The cost of treasury shares held is presented as a separate reserve (the "treasury shares").

Convertible debt
The proceeds received on issue of the Group's convertible debt are allocated into their different components. The amount initially attributed to the debt component equals the discounted cash flows using a market rate of interest that would be payable on a similar debt instrument that does not include an option to convert. Subsequently, the debt component is accounted for as a financial liability measured at amortised cost until extinguished on conversion or maturity of the bond.

The classification of the other component depends on whether the 'fixed-for-fixed' requirement of IFRS is met. This requirement is met if a contract that will be settled by the Group receiving or delivering a fixed number of its own equity instruments in exchange for a fixed amount of cash or another financial asset. If this requirement is met, then the remainder of the proceeds is allocated to the conversion option and is recognised in the "Convertible debt option reserve" within shareholders' equity, net of income tax effects. If this requirement is not met, then that amount is recognised as a liability and valued at fair value through profit or loss.

Defined contribution schemes
Contributions to defined contribution pension schemes are charged to the consolidated statement of comprehensive income in the period to which they relate.

Defined benefit schemes

Defined benefit scheme surpluses and deficits are measured at:

- The fair value of plan assets on the reporting date; less
- Plan liabilities calculated using the projected unit credit method discounted to its present value using yields available on high quality corporate bonds that have maturity dates approximating to the terms of the liabilities; plus
- Unrecognised past service costs; less
- The effect of minimum funding requirements agreed with scheme trustees.

Re-measurements of the net defined obligation are recognised directly within equity. The re-measurements include:

- Actuarial gains and losses;
- Return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and
- Any asset ceiling effects (interest exclusive).

Service costs are recognised in profit or loss, and include current and past service costs as well as gains and losses on curtailments.

Net interest expense (income) is recognised in profit or loss, and is calculated by applying the discount rate used to measure the defined benefit obligation (asset) at the beginning of the annual period to the balance of the net defined benefit obligation (asset), considering the effects of contributions and benefit payments during the period. Gains or losses arising from changes to scheme benefits or scheme curtailment are recognised immediately in profit or loss.

Settlements of defined benefit schemes are recognised in the period in which the settlement occurs.

Other long-term service benefits

Other employee benefits that are expected to be settled wholly within 12 months after the end of the reporting period are presented as current liabilities.

Other employee benefits that are not expected to be settled wholly within 12 months after the end of the reporting period are presented as non-current liabilities and calculated using the projected unit credit method and then discounted using yields available on high quality corporate bonds that have maturity dates approximating to the expected remaining period to settlement.

Share-based payments

Where equity-settled share options are awarded to employees, the fair value of the options on the date of grant is charged to the consolidated statement of comprehensive income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest on each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the consolidated statement of comprehensive income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the consolidated statement of comprehensive income is charged with the fair value of goods and services received.

The Group also operates a phantom share option scheme (a cash settled share-based payment). An option pricing model is used to measure the Group’s liability at each reporting date, taking into account the terms and conditions on which the bonus is awarded and the extent to which employees have rendered service. Movements in the liability (other than cash payments) are recognised in the consolidated statement of comprehensive income.

Leased assets

Where substantially all of the risks and rewards incidental to ownership of a leased asset have been transferred to the Group (a “finance lease”), the asset is treated as if it had been purchased outright. The amount initially recognised as an asset is the lower of the fair value of the leased property and the present value of the minimum lease payments payable over the term of the lease. The corresponding lease commitment is shown as a liability. Lease payments are analysed between capital and interest. The interest element is charged to the consolidated statement of comprehensive income over the period of the lease and is calculated so that it represents a constant proportion of the lease liability. The capital element reduces the balance owed to the lessor.

Where substantially all of the risks and rewards incidental to ownership are not transferred to the Group (an “operating lease”), the total rentals payable under the lease are charged to the consolidated statement of comprehensive income on a straight-line basis over the lease term. The aggregate benefit of lease incentives is recognised as a reduction of the rental expense over the lease term on a straight-line basis.

Externally acquired intangible assets

Intangible assets are initially recognised at cost and subsequently amortised on a straight-line basis over their useful economic lives.

Intangible assets are recognised on business combinations if they are separable from the acquired entity or give rise to other contractual/legal rights. The amounts ascribed to such intangibles are arrived at by using appropriate valuation techniques.

The significant intangibles recognised by the Group, their useful economic lives and the methods used to determine the cost of intangibles acquired in a business combination are as follows:

Intangible asset	Useful economic life	Valuation method
Trade name and customer relations	5 years	Multi-Period Earnings Method

Dividends

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by the Board of Directors. In the case of final dividends, this is when approved by the shareholders at the annual general meeting.

Deferred taxation

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising on:

- The initial recognition of goodwill;
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and
- Investments in subsidiaries and jointly controlled entities where CreditAccess is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- The same taxable Group company, or
- Different Group entities which intend either to settle current tax assets and liabilities on a net basis, or
- To realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Tangible fixed assets

Included in tangible fixed assets is property, plant and equipment which are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognised within provisions.

Freehold land is not depreciated. Depreciation on assets under construction does not commence until they are complete and available for use. Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following rates:

Category	Depreciation rate India
Land	Not depreciated
Buildings	1.63% -2% per annum
Leasehold improvements	6.33% - 20% per annum
Furniture & Fixtures	6.33% - 20% per annum
Office equipment	4.75% - 20% per annum
Computer equipment	16.21% - 33.3% per annum
Vehicles	9.5% - 20% per annum

Financial intruments - recognition and measurement

All financial instruments are initially recognised on the date that the Group becomes a party to the contractual provisions of the instrument. The classification at initial recognition depends on the purpose, the characteristics and the management's intention for which the financial instrument was acquired.
Subsequent measurements are as described with the respective categories.

Current versus non-current

Assets and liabilities with a matury date within one year are classified as current. Assets and liabilities with a maturity date of more then one year are classified as non-current.

Offsetting of financial instruments

Assets and liabilities are offset and reported net insofar the Company has a legal enforcable right to set-off the recognised amounts and intents to settle them on a net basis.

Provisions

The Group has recognised provisions for liabilities of uncertain timing or amount including those for onerous leases, warranty claims, leasehold dilapidations and legal disputes. The provision is measured at the best estimate of the expenditure required to settle the obligation on the reporting date, discounted at a pre-tax rate reflecting current market assessments of the time value of money and risks specific to the liability. In the case of leasehold dilapidations, the provision takes into account the potential that the properties in question may be sublet for some, or all of the remaining lease term.

Cash flow statement

The cash flow statement has been prepared using the indirect method. The cash items disclosed in the cash flow statement comprise cash at banks and in hand except for deposits with a maturity longer than three months. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received, dividends received and income taxes are included in cash from operating activities. Dividends paid are recognised as cash used in financing activities. The purchase consideration paid for the acquired group company has been recognised as cash used in investing activities where it was settled in cash. Any cash at banks and in hand in the acquired group company have been deducted from the purchase consideration. Transactions not resulting in inflow or outflow of cash, including finance leases, are not recognised in the cash flow statement. Payments of finance lease instalments qualify as repayments of borrowings under cash used in financing activities and as interest paid under cash generated from operating activities.

4. Critical accounting judgements and estimation uncertainty

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below.

4.1 Critical judgements in applying accounting policies

Acquisition accounting

CreditAccess acquired Operating Companies during the period ended 31 March 2015. In accordance with IFRS, all acquired financial assets and financial liabilities were accounted for at fair value. The fair value estimates had a significant impact on the financial statement balances and result in goodwill.
In estimating the fair values, certain estimates and key judgments have been applied. Management estimated the fair value of the identifiable intangible assets (i.e. the recognised 'trade name and customer relations base') using the Multi-Period Excess Earnings Method. This is a type 3 valuation method. Under this method, the fair value is estimated as the present value of the benefits anticipated from ownership of the subject intangible asset in excess of the returns required on the investment in the contributory assets necessary to realise those benefits. The calculation was based on a Cost of Equity of 23.0% and Cost of Debt of 8.6%. Management analysed and determined the fair value of all assets and liabilities acquired.
In addition management estimated the fair value of a liability towards minority shareholders of Grameen Koota Financial Services Private Limited ("Grameen Koota") which is related to a forward and to written put options which were issued at the acquisition of a controlling interest of Grameen Koota. This fair value is based on the discounted value of managements' estimations of the most likely cash-out scenarios. The discount rates used was based on the effective interest, i.e. 12.25% p.a., of a convertible bond that the Company issued for the purpose of financing the acquisition.

Impairment of intangible assets

Estimate of future cash flows and determination of the discount rate (see note 15).

Impairment of loans and advances to customers

Estimate of defaults of repayments (see note 18).

Defined benefit scheme

Actuarial assumptions (see note 31).

Leases

Agreements whereby the lessor conveys to the lessee in return for payments the right to use an asset for an agreed period of time. If substatially all the risks and rewards are transferred to the lessee, the lease is considered a Financial lease. If a significant portion of the risks and rewards are not transferred to the Group, it is considered a Operational lease.

Defined benefit scheme

Actuarial assumptions (see note 31).

Legal proceedings

During, and after balance sheet date, there have not been any significant claims nor legal proceedings.

Income taxes and deferred income taxes

Assets and provisions for income taxes in various jurisdictions (see note 13).

Control over Stichting CreditAccess Asia

The management concluded that CreditAccess Asia NV can be considered to be in control of Stichting CreditAccess Asia Asia (the "CAA Stichting").
Although a Stichting has no shares and no owner from a purely legal perspective, the management has determined that the Company has the practical ability unilaterally to direct the relevant activities of CAA Stichting and has therefore consolidated the entity as a 100% owned subsidiary. The several corporate documents and contracts issued and entered in the context of the issuing the Olympus Bond in December 2015 detail the right and obligations of the CAA Stichting towards the Company from which it appears that the Company is in control of CAA Stichting.

4.2 Assumptions and estimation uncertainties

- Measurement of defined benefit obligations: Key actuarial assumptions (note 31)
- Recognition of deferred tas assets: Availability of future taxable profit against which tax losses carried forward can be used (note 26)
- Determining the fair value of financial instruments (note 5.2); and
- Impairment of non-financial assets (note 3.3)

5 Financial risk management

5.1 Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.
The Group's overall strategy remains unchanged from the previous period.
The capital structure of the Group consists of net debt (borrowings as detailed in note 24 offset by cash and bank balances) and equity of the Group (comprising issued capital, reserves, retained earnings and non-controlling interests as detailed in notes 27 to 28 and note 17).

In order to achieve the overall objective, the Group's capital management, amongts other things, aims to ensure that it meets financial convenants attached to interest-bearing loans and borrowings that define capital structure requirements.
Breaches in meeting the financial covenants would permit the borrower to immediately call loans and borrowings. There have been no breaches of the financial covenants of any interest-bearing loans abd borrowing in the current period.

No changes were made in the objectives, policies or processe for managing capital during the years ended 31 March 2017 and 2016.

The Group is not subject to any external imposed capital requirements at consolidated level. Grameen Koota is subject to compliance with statutory requirements on 'Capital to risk assets ratio' ("CRAR"), as imposed by the Reserve Bank of India ("RBI") of a minimum of 15%. As per the audited statutory financial statements of 31 March 2017 the CRAR of Grameen Koota is reported as 29.71% (31 March 2016; 21.47%).

5.2 Risk management

The Group is exposed through its operations to the following financial risks:
- Credit risk;
- Fair value or cash flow interest rate risk;
- Foreign exchange risk;
- Other market price risk; and
- Liquidity risk.

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.
There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them, unless otherwise stated in this note.

(i) Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, include:
Loans and receivables (measured at amortized cost)
- Cash and cash equivalents
- Trade and other receivables (excluding prepayments)
- Loans and advances to customers

Financial assets at fair value through profit or loss (measured at fair value)
Available-for-sale investments (measured at fair value)
Financial liabilities at fair value through profit or loss (measured at fair value)
Other financial liabilities (measured at amortized cost)
- Trade and other payables
- Finance debt

(ii) Financial instruments not measured at fair value

Financial instruments not measured at fair value includes cash and cash equivalents, trade and other receivables, loans and advances to customers, long-term receivables, bank overdrafts, trade and other payables and social security and finance debt.
Management believes that the carrying values of the current financial assets and liabilities approximate their fair values.

For details of the fair value hierarchy, valuation techniques, and significant unobservable inputs related to determining the fair value of loans and borrowings, which are classified in level 3 of the fair value hierarchy, refer to the following table.

(iii) Financial instruments measured at fair value

	Level 1		Level 2		Level 3	
	2016/2017 EURO	2015/2016 EURO	2016/2017 EURO	2015/2016 EURO	2016/2017 EURO	2015/2016 EURO
Financial assets						
Financial assets at fair value through profit or loss	491,102	430,419	-	-	-	-
Available-for-sale investments	42,917,761	-	-	50,372,410	-	-
	43,408,863	**430,419**	**-**	**50,372,410**	**-**	**-**
Financial liabilities						
Financial liabilities as fair value through profit or loss:						
- Unrealised loss on forward exchange contracts	-	-	-	13,655	-	-
- Convertible Preferred Equity Certificate	-	-	-	-	-	-
- Conversion option on IPO Incentive Bond	-	-	-	-	-	6,668,000
- Conversion option on Olympus Bond	-	-	-	-	-	6,658,869
	-	**-**	**-**	**13,655**	**-**	**13,326,869**

The Available-for-sale investments were transferred from level 2 to level 1 as the related investment has been listed and is actively traded, on the Mumbai Stock Exchange, since 21 April 2016.

The valuation techniques and significant unobservable inputs used in determining the fair value measurement of level 2 and level 3 financial instruments, as well as the inter-relationship between key unobservable inputs and fair value, are set out in the table below.

Financial instrument	Valuation techniques used	Significant unobservable inputs (Level 3 only)	Inter-relationship between key unobservable inputs and fair value (Level 3 only)
Equity investments	This relates to shares which are listed per 31 March 2017, so the fair value has been calculated using the stock market price at 31 March 2017. (At 31 March 2016 the most recent transaction price has been used)	N/A for Level 1	N/A for Level 1
Unrealised loss on forward exchange contracts	The fair value is derived from comparing the year end forward rate to the forward contract rate.	N/A for Level 2	N/A for Level 2
Conversion option on the IPO Incentive Bond (applicable for the period ended 31 March 2016 only)	*Internal valuation model;* The fair value of the conversion option on the IPO Incentive Bond is obtained by net present value of the discount premium that will be given upon conversion and by weighting the probability of the different scenarios.	Discount Premium: min 5.0% - max 16.7% depending on the timing of IPO Incentive Bond conversion into shares. Probability of scenarios: 0% no IPO – 100% IPO in 2018.	The probability of scenarios has an impact on the fair valuation of the conversion option. A shift of 25% between the scenarios has an impact of € 400.000 on the fair value.
Conversion option on the Olympus Bond (applicable for the period ended 31 March 2016 only)	*Lattice-based Binominal Option Pricing Model;* the model enables the computation of the payoffs for the conversion option in different scenarios. The values under each scenario are weighted using the probability of the Qualified IPO, which has been derived by using a binominal tree model assuming a minimum threshold price.	Probability of Qualified IPO 35%. Min. threshold price of Qualified IPO EUR 6,71 per share. Market price per share of the Company EUR 4,66.	The probability of scenarios has an impact on the fair valuation of the conversion option. A shift of 25% between the scenarios has an impact of € 375.000 on the fair value.

The reconciliation of the opening and closing fair value balance of level 3 financial instruments is provided below:

	EURO
At 31 March 2015	**15,622,352**
Issuance during the period	6,633,766
Reclassifications	-8,909,100
Gains (Loss): included in consolidated statement of comprehensive income	-20,149
At 31 March 2016	**13,326,869**
Issuance during the period	-
Loss (Gains): included in consolidated statement of comprehensive income	7,835,751
Reclassifications; Converted to Equity	-21,162,620
Other	-
At 31 March 2017	**-**

General objectives, policies and processes

The overall objective of the Board of CreditAccess is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility.

The Board of each subsidiary is responsible for the determination of the risk management objectives and policies of the subsidiary. It is also in charge of designing processes and tools that ensure the effective implementation of such objectives and policies at the subsidiary level. The Board of CreditAccess ensures uniformity and compliance with common principles by holding one or more board seats in each and any subsidiary. Through its representatives in the local boards, the Board of CreditAccess reviews and ensures the effectiveness of the processes and tools put in place for managing the risks.

Going forward the Board of CreditAccess will standardise certain objectives and principles by formalising group level financial risk management policies.

Further details regarding these policies are set out below.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from loans and advances to customers. Operating Companies apply and review local policies to limit the credit risk exposure by setting credit limits and loan product features based on various indicators that are significant for the specific customer and market.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. The Group maintains the idle liquidity with primary institutions of the country where they operate. The gross amount of financial assets represents the maximum credit exposure. Except for the loans and advances to customers, the credit risk for the Group's financial assets is considered negligible, since the counterparties are reputable entities with high quality external credit ratings.

The exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the country in which the customers are located, as these factors may have an influence on the credit risk.

The breakdown per country is in the table below.

Further disclosures regarding trade and other receivables, which are neither past due nor impaired, are provided in note 18.

31 March 2017	India	Indonesia	Philippines	Total
Gross amount				
Neither past due nor impaired	379,739.110	25,322,374	14,006,360	419,067,844
Past due 1-90 days	64,758,131	498,100	187,182	65,443,413
Past due 91-180 days	96,913	340,327	94,349	531,589
Past due by more than 180 days	275,142	401,953	254,022	931,117
Total	**444,869,296**	**26,562,754**	**14,541,913**	**485,973,963**
Provision for impairment				
Beginning balance	494,314	98,318	269,261	861,893
Additions during the year	14,704,271	91,113	383,009	15,178,393
Recoveries from previously written-off accounts	-319,632	-3,522	-	-323,154
Foreign exchange and other movements	698,800	5,434	-6,895	697,339
Ending balance	15,577,753	191,343	645,375	16,414,471
Carrying amount	**429,291,543**	**26,371,411**	**13,896,538**	**469,559,492**

Due to the unexpected and sudden decision in November 2016 by the government of India on the decommissioning of the bank-notes of INR 500 (€7) and INR 1,000 (€14), to gradually replace these and the subsequent local political interference, there has been a significant impact on the industry resulting in delays in client repayments.

As a consequence the loan-loss provisioning in the Indian operations has significantly increased. In the aftermath of these events already a solid and continuous recovery has taken place, so management is confident that the current provision is sufficient to cover the final credit loss and write-off.

The Indian entity has adopted its impairment methodology accordingly, whereby a special provision was taken into account in line with the regulations from the Reserve bank of India.
Due to the exceptional circumstances, it was adopted for Grameen Koota the following provisioning:

- In respect of non-performing loan assets as of March 2017, the managmenet has calculated the recovery trend of the period April 2017 to June 2017 and used this as proxy for the future recovery performance up and until March 2018. The resulting non-performing loan assets as of March 2018, post estimated recoveries, are deemed to be final loss accounts, hence provisioned on 100% basis on March 2017. It may be noted that Grameen Koota will put all the effort to recover these non-performing loan assets even after March 2018.

Market risk

Market risk arises from the Group's use of interest bearing, tradable and foreign currency denominated financial instruments. Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

Fair value and cash flow interest rate risk

The Group is exposed to cash flow interest rate risk mainly from borrowings at a variable rate. Currently a large portion of external Group borrowing bears floating interest rate. During 2016/2017, the Group's borrowings at variable rate were denominated in INR and IDR, whilst borrowing denominated in EUR, USD and PHP currency were at fixed rate.
The Operating Companies analyse the interest rate exposure on a quarterly basis.

A sensitivity analysis is performed by applying simulation techniques in order to monitor and control the current and projected interest rate margin.

At 31 March 2017, if interest rates on INR and IDR denominated borrowings had been 100 basis points higher/lower, all other variables held constant, profit after tax for the year would have been EUR 680,152 (31 March 2016; EUR 128,443) lower/higher respectively, mainly on account of higher/lower interest expense on floating rate borrowings. In this sensitivity test the assumption was used that loans and advances to customers would have yielded fix interest rate for the remaining average duration and floating interest for the newly issued portfolio.

The management considers that 100 basis points will be the likely change in INR and IDR interest rates over the next year, being the period up to the next point at which the Group expects to make these disclosures.

The Company is of the opinion that the interest rate sensitivity analyses is unrepresentative of the quantum of risk that the Group is exposed to. Indeed, the Group has the tools and ability to maintain over time a stable interest rate margin and therefore minimising the interest rate risk.

This conclusion is on account of two main factors:
- Portfolio – the combined effect of the short-term duration of the loan book together with a double digit growth of the portfolio is such that a large portion of the Group portfolio is recycled on quarterly basis. The Group applies a fixed interest rate on the loans to customers, however fresh loans bear an interest rate that factors in the prevailing cost of funding at the time of the disbursement.
- Industry regulation – the interest margin (average interest rate charged to the clients against average interest rate on funding) is highly regulated and shall not exceed a given cap by the regulator. In order to comply with the local regulations and best practices, the Operating Companies assesses on quarterly basis the average cost of funding and adjusts the average interest rate charged to the client through the issuance of a fresh loan portfolio at a lower or higher interest rate, as the case may be.

At 31 March 2017	Up to 3 months EURO	Between 3 and 12 months EURO	Between 1 and 2 years EURO	Between 2 and 5 years EURO	Over 5 years EURO
Loans and advances to customers	89,610,972	251,879,035	127,141,471	928,014	-
Total	**89,610,972**	**251,879,035**	**127,141,471**	**928,014**	**-**

At 31 March 2016	Up to 3 months EURO	Between 3 and 12 months EURO	Between 1 and 2 years EURO	Between 2 and 5 years EURO	Over 5 years EURO
Loans and advances to customers	87,265,190	166,686,316	102,382,140	234,145	-
Total	**87,265,190**	**166,686,316**	**102,382,140**	**234,145**	**-**

The interest rate profile of the Group's interest bearing financial instrumants measured at amortised cost is as follows:

	31 March 2017 EURO	31 March 2016 EURO
Fixed rate instruments		
Financial assets	553,519,593	431,401,749
Financial liabilities	303,616,919	251,087,044
Variable rate instrumens		
Financial assets	-	-
Financial liabilities	116,256,425	155,387,433

A 100 basis-points increase/decrease of the Variable interest rates, would increase/decrease the consolidated net result with EUR 1,162,564. (2015/2016: EUR 1,553,874)

Foreign exchange risk

Foreign exchange risk arises when Group entities enter into transactions denominated in a currency other than their functional currency.

The Group is not exposed to currency risk on debt financing instruments neither on loans to customers which are all denominated in the functional currency of the respective entity.

The Group aims to fund expenses and investments in the respective currency and to manage foreign exchange risk at a local level by matching the currency in which revenue is generated and expenses are incurred. Only products and services purchased from abroad may lead to foreign currency denominated expenses and liabilities. The Group's net exposure to foreign exchange risk was as follows:

Functional currency of individual entity

	EUR 2016/2017 in EURO	VND 2016/2017 in EURO	PHP 2016/2017 in EURO	Total 2016/2017 in EURO
Net foreign currency				
Monetary financial assets/(liabilities)				
Denominated in EUR	-	-	11,052	11,052
Denominated in USD	189,826	90,742	-2,801	277,767
Denominated in INR	80,068	-	-	80,068
Denominated in IDR	-117,919	-	-	-117,919
Denominated in PHP	90	-	-	90
Total net exposure	**152,065**	**90,742**	**8,251**	**251,059**

	EUR 2015/2016 in EURO	IDR 2015/2016 in EURO	PHP 2015/2016 in EURO	Total 2015/2016 in EURO
Net foreign currency				
Monetary financial assets/(liabilities)				
Denominated in EUR	-	80,700	27,720	108,420
Denominated in USD	-3,459,076	-	8,322	-3,450,754
Denominated in INR	-18,727,964	-	-	-18,727,964
Denominated in IDR	-76,535	-	-	-76,535
Denominated in PHP	17,594	-	-	17,594
Total net exposure	**-22,245,980**	**80,700**	**36,042**	**-22,129,239**

The effect of a 10% strengthening of the INR against EUR and of the USD against EUR at the reporting date on the INR and USD denominated liabilities carried at that date would, all other variables held constant, have resulted in a cumulative decrease in pre-tax profit for the year of EUR 35,783 (2015/2016: EUR 2,218,704) and a 10% weakening in the exchange rates would, on the same basis, have increased pre-tax profit by EUR 35,783 (2015/2016: EUR 2,218,704). Analysis on INR denominated equity investments is included below ('Other market price risk') .

Other market price risk

CreditAccess holds some strategic equity investments in other companies where those complement the Group's operations (see note 19). The management believes that the exposure to market price risk from this activity is acceptable in the Group's circumstances.
The effect of a 10% increase in the value of the equity investments, including its impact on foreign exchange fluctuations, held at the reporting date would, all other variables held constant, have resulted in an increase in the available-for-sale reserve and net assets of EUR 4,291,745 (31 March 2016; € 2,561,683). A 10% decrease in their value would, on the same basis, have decreased the available-for-sale reserve and net assets by the same amount.

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Boards of Directors of the subsidiaries are responsible to ensure that the relevant company will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it is policy to seek long-term equity and debt financing to finance the loans to customers. Each Operating Company receiving debt financing has an Asset and Liability policy and a committee in charge of its supervision and application.

The liquidity risk policies of each Group entity are maintained and applied decentrally by the treasury function, whilst the Assets and Liabilities committees are responsible to verify full compliance to the policy periodically. At the end of the financial period, the cash flow projections indicated that the Group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

The following table sets out the contractual maturities of the carrying amounts of financial liabilities:

At 31 March 2017	Up to 3 months EURO	Between 3 and 12 months EURO	Between 1 and 2 years EURO	Between 2 and 5 years EURO	Over 5 years EURO
Trade and other payables	9,429,017	1,029,801	-	-	-
Loans and borrowings	62,663,711	198,899,454	126,016,278	21,804,686	-
Derivative financial liabilities	-	-	-	-	-
Total	**72,092,727**	**199,929,255**	**126,016,278**	**21,804,686**	**-**

At 31 March 2016	Up to 3 months EURO	Between 3 and 12 months EURO	Between 1 and 2 years EURO	Between 2 and 5 years EURO	Over 5 years EURO
Trade and other payables	29,181,951	2,087,530	-	-	-
Loans and borrowings	32,928,547	117,262,688	87,082,678	107,472,319	31,284,086
Derivative financial liabilities	-	-	-	13,326,869	-
Total	**62,110,498**	**119,350,218**	**87,082,678**	**120,799,188**	**31,284,086**

Capital Disclosures

The Group monitors "adjusted capital" which comprises all components of equity (i.e. share capital, share premium, non-controlling interest, retained earnings, and revaluation reserve).

The Group's objectives when maintaining capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group, at the level of each subsidiary, sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and makes adjustments to it in the light of the risk characteristics of the underlying assets, the expectations of lenders but also in order to finance future expansion of the Group. In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debt.

	2016/2017 EURO	2015/2016 EURO
Loans and borrowings	409,384,130	389,357,186
Less: cash and cash equivalents	-71,280,913	-54,674,996
Net debt	**338,103,217**	**334,682,190**
Total equity	205,860,660	81,677,283
Adjustments	-	-
Total adjusted capital	205,860,660	81,677,283
Debt to adjusted capital ratio (%)	**164%**	**410%**

Notes to the financial statements

6. Interest income and fees

	2016/2017 EURO	2015/2016 EURO
By category:		
Interest income	99,046,211	63,653,966
Profit sharing from working capital	10,964,479	6,992,297
Loan processing and other fees	4,935,419	3,617,189
Total	**114,946,109**	**74,263,452**

	2016/2017 EURO	2015/2016 EURO
By geographical area:		
Europe	61,257	138,235
South-east Asia	114,884,852	74,125,217
Total	**114,946,109**	**74,263,452**

7. Interest expenses and fees

	2016/2017 EURO	2015/2016 EURO
Interest costs on external borrowings	46,293,317	30,773,780
Interest on IPO Incentive Bond	4,212,981	4,167,046
Interest on Olympus Bond	3,023,313	760,740
Interest on redemption liability for future share purchases in GKFS	-	1,644,015
Total	**53,529,611**	**37,345,581**

Interest on IPO Incentive Bond represents the effective interest of 12.25% per annum (nominal interest: 6.5%)
Interest on Olympus Bond represents the effective interest of 14.06% per annum (nominal interest: 8%)
Interest on redemption liability for future share purchases in GKFS represented the 12.25% interest charges on the liability towards non-controlling shareholders of GKFS (settled in the current financial year)

8. Other income

	2016/2017 EURO	2015/2016 EURO
Miscellaneous proceeds	793,111	492,064
Total	**793,111**	**492,064**

This relates mainly to proceeds from the distribution of third party services, technical assistance received and donations.

9. Loan loss provision & write off

	2016/2017 EURO	2015/2016 EURO
Joint liability group loans (unsecured)	15,163,651	821,534
Individual loans	14,742	215,462
Other write offs (other than loans)	-	5,287
Total	**15,178,393**	**1,042,283**

The significant increase in the loan loss provision and write off in the current year is due to the incident and consequences of demonetisation in India as discussed in note 5.

10. Personnel expenses

	2016/2017 EURO	2015/2016 EURO
Personnel expenses (including directors) comprise:		
Wages and salaries	22,766,038	16,356,290
Social security costs	1,441,317	950,951
Share options granted to directors and employees	154,099	76,997
Pension costs – defined contribution plans	975,370	573,739
Pension costs – defined benefit plans	148,382	220,724
Other staff welfare costs	24,753	27,270
Other post-employment benefits	195,491	157,335
Total	**25,705,450**	**18,363,306**

The average number of employees (full time equivalent) based on their function:

	2016/2017 FTE	2015/2016 FTE
	(rounded)	(rounded)
Field operations	7,113	5,058
Back office	699	587
	7,812	**5,645**

The average number of employees (full time equivalent) based on their geographical location:

	2016/2017 FTE	2015/2016 FTE
	(rounded)	(rounded)
The Netherlands	6	4
Europe (other than the Netherlands)	1	3
Asia	7,805	5,638
	7,812	**5,645**

Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including the directors of CreditAccess. Compensation is disclosed under the Related parties (note 33).

11. Expenses by nature

	2016/2017 EURO	2015/2016 EURO
Depreciation of tangible assets (note 14)	1,132,753	750,952
Amortisation of intangible assets (note 15)	1,291,847	1,185,264
Others	9,056	6,887
	2,433,656	**1,943,103**
Travel and lodging	3,335,505	2,456,681
Rental	2,027,910	1,484,756
Communication and IT	1,058,454	878,535
Other professional fees	929,857	1,041,167
Taxes and licenses	818,992	311,954
HR and benefits expenses	717,864	586,051
Repairs and maintenance	711,069	504,565
Office expenses	647,924	971,133
Other operating expenses	615,628	393,578
Legal fees	458,854	530,117
Bank charges	451,370	184,094
Insurances	389,231	147,563
Utilities	334,419	152,136
Audit and accounting	315,058	385,294
Donations	299,280	475,669
Directors fees	83,862	55,484
Pre operating expenses	73,529	65,439
Other provisions	65,324	342,288
Marketing and advertising	57,666	14,577
	13,391,796	10,980,081
Total	**15,825,452**	**12,923,184**

Auditor's fees

The fees listed below relate to the services provided to the Group by BDO Audit & Assurance B.V.(the Netherlands) as well as by other, Dutch and foreign-based, BDO individual partnerships and legal entities, including their tax services and advisory group. BDO Audit & Assurance B.V. is an external auditor of CreditAccess Asia N.V., as referred to in Section 1(1) of the Dutch Accounting Firms Oversight Act ('Wet toezicht accountantsorganisaties' or 'Wta'):

	2016/2017 EURO	2015/2016 EURO
Audit annual accounts	83,396	81,920
Other audit assignments (re. review of interim internal financial-statements)	24,579	-
Other non-audit services (re. tax-declaration and IFRS-advice)	32,100	29,600
	140,075	**111,520**

12. Results from financial instruments

	2016/2017 EURO	2015/2016 EURO
Fair-value adjustment on conversion option of IPO Incentive Bond (note 5)	-	-100,000
Fair-value adjustment on conversion option of Olympus Bond (note 5)	-7,835,751	-25,103
Adjustment to settlement value of redemption liability (note 5)	-	-4,821,282
Total	**-7,835,751**	**-4,946,385**

13. Tax expense

	2016/2017 EURO	2015/2016 EURO
(i) Tax expense and share of tax of equity accounted associates and joint ventures		
Current tax expense		
Current tax on profits for the period	11,151,392	7,121,804
Adjustment for under provision of prior periods	17,753	1,762
Total current tax	**11,169,145**	**7,123,566**
Deferred tax expense		
Origination and reversal of temporary differences (note 26)	-1,789,922	-991,562
Recognition of previously unrecognised deferred tax assets	-283,308	-912,373
Total deferred tax	**-2,073,230**	**-1,903,935**
Total	**9,095,915**	**5,219,631**

The reasons for the difference between the actual tax charged for the period and the standard rate of corporation tax applied to profits for the period are as follows:

	2016/2017 EURO	2015/2016 EURO
Result before taxation	**9,670,450**	**2,300,351**
Tax using the Company's domestic tax rate of 25% (2015/2016: 25%)	2,427,613	586,664
Difference in tax rates foreign jurisdictions	538,062	1,507,661
(De)recognition of deferred tax assets	2,561,324	1,626,113
Adjustment in respect to prior years	26,741	518
Expenses not deductible for tax purposes	356,655	3,402,610
Loan loss provision relating to microfinance loans	4,975,325	-
Effect foreign exchange results on deferred tax positions	-1,789,805	-1,903,935
Total tax expense	**9,095,915**	**5,219,631**

The loan loss provision to microfinance loans is related to non-deductible expenses on the refinancing of the microfinancing loans in India.
The derecognition of the deferred tax assets is related to the fact that tax losses will be no longer refundable and therefore loss compensating will not be realized.

Estimates and assumptions

The Group companies are subject to income tax in the jurisdictions where they run business and judgements are required in determining the provision for income taxes. During the ordinary course of business, there are transactions and calculations for which the ultimate tax determination is uncertain. As a result, the Group recognises tax liabilities based on estimates of whether additional taxes and interest will be due. These tax liabilities are recognised when, despite the management's belief that the tax return positions are supportable, it believes that certain positions may be challenged and may not be fully sustained upon review by tax authorities. The Company believes that its accruals for tax liabilities are adequate for all open audit years based on its assessment of many factors including past experience and interpretations of tax law. This assessments on deferred tax relies on estimates and assumptions and may involve a series of complex judgments about future events. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will impact income tax expense in the period in which such determination is made.

Unrecognised DTA

Deferred tax assets have been recognised in respect of all tax losses and other temporary differences giving rise to deferred tax assets where management believes it is probable that these assets will be recovered.
Total unused tax losses in certain jurisdictions for which no deferred tax assets has been recognised amounts to EUR 19.1 mln. (note 26).

Tax on each component of other comprehensive income is as follows (see note 29):

	2016/2017			2015/2016		
	Before tax EURO	**Tax EURO**	**After tax EURO**	**Before tax EURO**	**Tax EURO**	**After tax EURO**
Available-for-sale investments:						
(i) Valuation (losses)/gains on available-for-sale investments	17,300,861	-	17,300,861	15,119,128	-3,557,820	11,561,308
(ii) Transferred to profit or loss on sale	-13,948,305	3,556,536	-10,391,769	-	-	
Cash flow hedges:						
(i) Gains recognised on hedging instruments	-	-	-	-	-	-
(ii) Transferred to profit or loss for the year	-	-	-	-	-	-
(iii) Transferred to initial carrying amount of hedged items	-	-	-	-	-	-
Exchange (losses)/gains on the translation of foreign operations	**10,178,753**	**-**	**10,178,753**	**-8,932,459**	**-**	**-8,932,459**
Share of associates' other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**
Actuarial gain on defined benefit pension schemes	-	-	-	-	-	-
	13,531,309	**3,556,536**	**17,087,845**	**6,186,669**	**-3,557,820**	**2,628,849**

14. Tangible fixed assets

	Leasehold Improvements	Office Equipment	Fixtures and fittings	Computer equipment	Vehicles	Total
	EURO	EURO	EURO	EURO	EURO	EURO
(i) Cost or valuation						
At 31 March 2015	237,209	314,489	510,629	901,012	472,166	2,435,505
Additions	490,515	154,725	274,672	496,478	375,316	1,791,706
Disposals	-	-12,877	-6,792	-16,706	-57,625	-94,000
Re-classified to non-current assets held for sale	-	-	-	-	-	-
Fair value gain (loss) recognised in other comprehensive income	-	-	-	-	-	-
Foreign exchange movements	-20,982	-32,498	-42,161	-71,691	-23,448	-190,780
At 31 March 2016	**706,742**	**423,839**	**736,348**	**1,309,093**	**766,409**	**3,942,431**
At 31 March 2016	706,742	423,839	736,348	1,309,093	766,409	3,942,431
Additions	394,888	184,345	203,428	578,642	354,442	1,715,745
Disposals	-	-31,250	-14,203	-25,610	-9,044	-80,107
Re-classified to non-current assets held for sale	-	-	-	-	-	-
Fair value gain (loss) recognised in other comprehensive income	-	-	-	-	-	-
Foreign exchange movements	37,495	36,618	34,420	73,129	-11,182	170,480
At 31 March 2017	**1,139,125**	**613,552**	**959,993**	**1,935,254**	**1,100,625**	**5,748,549**

14. Tangible fixed assets

	Leasehold Improvements	Office Equipment	Fixtures and fittings	Computer equipment	Vehicles	Total
	EURO	EURO	EURO	EURO	EURO	EURO
(ii) Accumulated depreciation and impairment						
At 31 March 2015	58,621	152,348	220,638	366,414	80,515	878,536
Depreciation	158,232	66,423	144,423	261,862	120,012	750,952
Revaluations	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-
Re-classified to non-current assets held for sale	-	-	-	-	-	-
Disposals	-	-9,781	-3,767	-10,007	-41,320	-64,875
Foreign exchange movements	-6,170	-16,737	-26,223	-40,251	-8,722	-98,103
At 31 March 2016	**210,683**	**192,253**	**335,071**	**578,018**	**150,485**	**1,466,510**
At 31 March 2016	210,683	192,253	335,071	578,018	150,485	1,466,510
Depreciation	253,054	86,126	214,593	383,264	195,716	1,132,753
Impairment losses	-	-	-	-	-	-
Re-classified to non-current assets held for sale	-	-	-	-	-	-
Disposals	-	-23,625	-10,128	-21,674	-9,044	-64,471
Foreign exchange movements	13,900	17,020	24,264	35,532	-2,898	87,818
At 31 March 2017	**477,637**	**271,774**	**563,800**	**975,140**	**334,259**	**2,622,610**
(iii) Net book value						
At 31 March 2016	496,059	231,586	401,277	731,075	615,924	2,475,921
At 31 March 2017	**661,488**	**341,778**	**396,193**	**960,114**	**766,366**	**3,125,939**

15. Intangible assets

	Client base and trademark	Goodwill	Software	Intangible assets under development	Total
	EURO	EURO	EURO	EURO	EURO
(i) Cost					
At 31 March 2015	5,548,586	19,346,401	432,278	370,778	25,698,043
Additions - externally acquired	257	-	489,357	-	489,614
Disposals	-	-	-573	-	-573
Foreign exchange rate movements	-599,773	-1,553,019	-75,195	-25,560	-2,253,547
Reclassifications	-	-	345,218	-345,218	-
At 31 March 2016	**4,949,070**	**17,793,382**	**1,191,085**	**-**	**23,933,537**
At 31 March 2016	4,949,070	17,793,382	1,191,085	-	23,933,537
Additions - externally acquired	-	-	283,198	411,929	695,127
Additions - internally developed	-	-	-	-	-
Disposals	-	-	-	-	-
Foreign exchange rate movements	430,116	1,307,090	103,857	24,836	1,865,899
Reclassifications	-	-	-	-	-
At 31 March 2017	**5,379,186**	**19,100,472**	**1,578,140**	**436,765**	**26,494,563**
(ii) Accumulated amortisation and impairment					
At 31 March 2015	1,112,653	920,342	204,119	-	2,237,114
Amortisation charge	1,032,796	-	152,468	-	1,185,264
Disposals	-	-	-15,572	-	-15,572
Foreign exchange movements	-163,603	87,215	-23,048	-	-99,436
At 31 March 2016	**1,981,846**	**1,007,557**	**317,967**	**-**	**3,307,370**
At 31 March 2016	1,981,846	1,007,557	317,967	-	3,307,370
Amortisation charge	1,013,915	-	277,932	-	1,291,847
Impairment losses	-	-	-	-	-
Disposals	-	-	-	-	-
Foreign exchange movements	233,296	87,591	18,569	-	339,456
At 31 March 2017	**3,229,057**	**1,095,148**	**614,468**	**-**	**4,938,673**

15. Intangible assets

	Client base and trademark	Goodwill	Software	Intangible assets under development	Total
	EURO	EURO	EURO	EURO	EURO
(iii) Net book value					
At 31 March 2016	2,967,224	16,785,825	873,118	-	20,626,167
At 31 March 2017	**2,150,129**	**18,005,324**	**963,672**	**436,765**	**21,555,890**

The client base and trademark originates from the purchase price allocation on acquiring the controlling interest in Grameen Koota in March 2014.

It is amortised on a straight line basis over the useful economic life of 5 years.

Intangible assets under development relates to the core banking IT System (Temenos T24) at Grameen Koota.

16. Goodwill and impairment

The carrying amount of goodwill is allocated to the cash generating units (CGUs) as follows:

	Goodwill carrying amount 2016/2017 EUR 000	Goodwill carrying amount 2015/2016 EUR 000
Grameen Koota (GKFS)		
Opening balance	9,214	10,331
Exchange difference	801	-1,117
	10,015	9,214
PT Konsultasi Mikro Ventura (KMV)		
Opening balance	7,572	8,095
Exchange difference	418	-523
	7,990	7,572
Total	**18,005**	**16,786**

The Group is required to test, on an annual basis, whether recognised goodwill has suffered any impairment.

An impairment is necessary in the event that the carrying amount of a specific CGU exceeds the estimated recoverable amount of such CGU. The recoverable amount is measured as the greater of value in use (i.e. discount cash flow) and fair value less cost to sell.

For the period under review the impairment test on the goodwill associated to Grameen Koota and KMV resulted in no impairment.

The recoverable amounts for Grameen Koota and KMV have been determined from the values in use based on the respective officially approved financial projections covering a the period up to 31 March 2022.

Other major assumptions for GKFS are as follows: growth rate year-on-year 2.3% (31 March 2016; 5%) and discount rate 17.5% (31 March 2016; 17.5%).

Other major assumptions for KMV are as follows: growth rate year-on-year 15% (31 March 2016; 15%) and discount rate 27.5% (31 March 2016; 27.5%).

The growth rate assumptions above apply only to the period beyond the officially approved budgets of Grameen Koota and KMV. These have been based on past track record and on future expectations in the light of anticipated economic and market conditions.

The discount rate is applied to all cash flow projections and these reflect management's assessment of the risk profile of the single CGUs. The discount rate applied to Grameen Koota has reduced mainly on account of a decrease in the risk free rate in India and of the larger size of the CGU which command a lower "small stock premium". Nevertheless, would the management apply the same discount factor of the previous FY (i.e. 23%), the impairment test would still be passed and no impairment would be required.

The management has measured the following head room for the CGUs: for Grameen Koota the recoverable amount exceeds the carrying amount by EUR 261 million; for PT Konsultasi Mikro Ventura the recoverable amount exceeds its carrying amount by EUR 20 million.

Management believes that any reasonably possible change in the key assumptions on which the recoverable amounts of Grameen Koota and KMV are based would not cause the carrying amount of the same to exceed the estimated recoverable amounts of the respective CGU.

17. Non-controlling Interests (NCI)

Grameen Koota Financial Services Private Limited

As per 31 March 2017 the Company holds 99.44% in Grameen Koota Financial Services Private Limited (India). During the financial year the Company increased its stake by aqcuiring additional shares from existing shareholders. The effect on the equity attributable to the owners of CreditAccess Asia N.V. during the year is summarised as follows:

	2016/2017 EURO
Carrying amount of non-controlling interests acquired	1,685,107
Consideration paid/to be paid to non-controlling interests, including the impact of the changes in the value of redemption amount	3,285,090
Excess of consideration paid recognised in the transactions	-1,599,982
Decrease of other reserves	-1,599,982
Increase in equity attributable to owners of the Company	1,599,982
	-

	2015/2016 EURO
Carrying amount of non-controlling interests acquired	10,351,033
Consideration paid/to be paid to non-controlling interests, including the impact of the changes in the value of redemption amount	15,163,535
Excess of consideration paid recognised in the transactions	-8,812,502
Increase of other reserves	540,846
Decrease in equity throught profit or loss, relating to the value of the redemption liability	-9,353,348
	-8,812,502

For the year ended 31 March	2016/2017 EURO	2015/2016 EURO
Grameen Koota Financial Services Private Limited:		
Total income	**96,435,518**	**64,220,717**
Profit after tax	10,307,428	11,153,984
Attributable to:		
Controlling Interest	10,249,706	9,057,035
Non-controlling Interest	57,722	2,096,949
Other comprehensive income allocated to NCI	-	-
Total comprehensive income allocated to NCI	57,722	2,096,949
Cash flows from operating activities	-49,459,075	-132,641,519
Cash flows from investing activities	2,364,238	3,556,162
Cash flows from financing activities	67,402,324	128,991,719
Net cash inflows/(outflows)	**20,307,487**	**-93,638**

At 31 March	2016/2017 EURO	2015/2016 EURO
Assets	496,503,600	381,061,710
Liabilities	365,215,114	316,849,932
Equity	**131,288,486**	**64,211,778**
Accumulated non-controlling interests	**735,216**	**2,221,728**

The total non-controlling interest at year-end consists of the following:

	2016/2017 EURO	2015/2016 EURO
Grameen Koota Financial Services Private Limited	735,216	2,221,728
PT Konsultasi Mikro Ventura/PT Bina Artha Mikro Ventura	872	799
MicroVentures Philippines Financing Company, Inc.	-	1,388
	736,088	**2,223,915**

18. Loans and advances to customers

	2016/2017 EURO	2015/2016 EURO
Non-current portion:		
Joint liability group loans (unsecured)	127,028,034	102,222,401
Individual loans	1,041,451	391,884
	128,069,485	**102,614,285**
Current portion:		
Joint liability group loans (unsecured)	354,931,858	253,894,798
Individual loans	2,972,618	918,601
Others	-	-
	357,904,476	254,813,399
Less: provision for impairment	-16,414,469	-861,893
	341,490,007	**253,951,506**
Total	**469,559,492**	**356,565,791**

The carrying value of the current portion loans and advances to customers approximates the fair value.
The fair value of the non-current portion amounts to approximately EUR 114.1 mln. The provision for impairmant is calculated on the total loan portfolio and allocated in full to the current portion.

The redemption schedule of the loans and advances to customers is as follows:

	2016/2017 EURO	2015/2016 EURO
Up to 3 months	89,610,972	87,265,190
3 to 6 months	101,592,383	69,996,688
6 to 12 months	150,286,652	96,689,628
1 year to 2 years	127,141,471	102,382,140
More than 2 years	928,014	232,145
	469,559,492	**356,565,791**

Movements in the impairment allowance for loans are as follows:

	2016/2017 EURO	2015/2016 EURO
Opening balance	**861,893**	**289,639**
Usage / recoveries	-323,154	-456,741
Additions during the year	15,178,393	1,042,283
Foreign exchange and other movements	697,337	-13,288
	16,414,469	**861,893**

The movement in the impairment allowance for loans has been included in the 'Loan loss provision and write off' line in the consolidated statement of comprehensive income.

The ageing analysis of the loans is as follows:

	2016/2017 EURO	2015/2016 EURO
Loans with 0 days overdue	418,594,576	355,842,966
Loans overdue up to 90 days	50,388,803	443,445
Loans overdue by 91 to 180 days	276,595	172,425
Loans overdue by more than 181 days	299,518	106,955
	469,559,492	**356,565,791**

19. Available-for-sale investments

	2016/2017 EURO	2015/2016 EURO
Opening balance	**50,372,410**	**36,470,909**
Additions arising from business combinations	-	-
Additions	-	-
Disposals	-24,755,510	-1,217,627
Net gains recognised through other comprehensive income	17,300,861	15,119,128
Closing balance	**42,917,761**	**50,372,410**
Less: non-current portion	42,917,761	25,616,900
Current portion	**-**	**24,755,510**

Available-for-sale financial assets consists of the following:

	2016/2017 EURO	2015/2016 EURO
Equitas Holdings Pvt Ltd (India)	42,917,761	50,372,410
	42,917,761	**50,372,410**

As the investment is subject to a lock-in and the Company has no firm plans to dispose of it in shortly, the investments is classified as long-term.

20. Derivative financial instruments

	2016/2017 EURO	2015/2016 EURO
Derivative financial liabilities		
Non deliverable forward contracts	-	13,655
Conversion option on IPO Incentive Bond	-	6,668,000
Conversion option on Olympus Bond	-	6,658,869
Total derivatives not designated as hedging instruments	**-**	**13,340,524**
Total derivative financial liabilities	-	13,340,524
Less non-current portion	-	-13,326,869
Current portion	**-**	**13,655**

Derivate financial liabilities

Foreign exchange risk arises when a Group's company enters into transaction(s) denominated in a currency other than its functional currency. Where the risk is considered to be significant, the treasury will enter into a matching hedging contract with a primary financial institution according to the prevailing foreign exchange risk policy.

The current portion at 31 March 2016 related to a Non-Deliverable Forward contract with following details: CreditAccess sells PHP 48,000,000 against EUR, maturity 29 July 2016, forward contract rate 52,795. The fair value of said contract was EUR 13,655.
At 31 March 2017 there was none.

For non-current items refer to note 5 were the instruments and valuation method have been disclosed.

21. Long-term receivables

	2016/2017 EURO	2015/2016 EURO
Security deposits	616,903	505,735
Cash collateral against long-term borrowing	1,588,385	4,888,696
Tax and social security	198,468	198,917
Others	111,219	144,497
Total Long-term receivables	**2,514,975**	**5,737,845**

The carrying value of these long-term receivables approximates the fair value. Collateral against borrowing represents cash collateral placed by the Group as security against long-term debt financing instruments.

22. Trade and other receivables

	2016/2017 EURO	2015/2016 EURO
Trade receivables	-	-
Less: provision for impairment	-	-
Trade receivables	**-**	**-**
Security deposits	4,748,467	9,706,216
Interest receivable	1,453,196	2,170,819
Advances recoverable in cash or in kind	1,346,988	447,239
Prepayments	1,716,167	960,976
Other receivables	705,530	952,407
Tax and social security	193,865	185,461
Other receivables	**10,164,213**	**14,423,118**
Total trade and other receivables	**10,164,213**	**14,423,118**

The carrying value of trade and other receivables classified as loans and receivables approximates the fair value.
All current receivables are due within 1 year from balance sheet date.

Other classes of financial assets included within trade and other receivables do not contain impaired assets. Security deposits relate to short-term cash collateral.

23. Trade and other payables

	2016/2017 EURO	2015/2016 EURO
Non-current liabilities	-	-
Current liabilities		
Trade payables	524,139	466,456
Redemption liability on future share purchases in Grameen Koota	-	18,732,866
Accrued interest payable on borrowings	1,896,852	4,444,872
Employee benefits	2,615,482	1,777,714
Insurances	611,202	1,976,985
Provision for donation	399,677	424,193
Other liabilities	3,877,430	1,908,227
Accrued expenses	564,432	712,844
Tax and social security	2,304,340	826,702
	12,793,554	**31,270,861**
Total Trade and other payables and taxes and social security	**12,793,554**	**31,270,861**

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates the fair value.

The Group holds approximately 8% collateral as security on working capital granted for part of its Indonesian customers. The amount of collateral as per 31 March 2017, included in Other liabilities, amounts to EUR 3,011,073 (IDR 42,871,480,166) (31 March 2016; EUR 1,627,578 / IDR 24,454,091,711). This relates to two instalments (approximately 8%) for group-lending, and one instalment (approximately 10%) for individual lending.

The “Redemption liability for future share purchases in Grameen Koota” regarded a put obligation written by CreditAccess to part of the non-controlling shareholders of Grameen Koota, allowing them to sell their shares to CreditAccess at a future date. The recognised liability was based on the estimated settlement prices for the options being exercised, discounted against 12.25%. As per 31 March 2016 the lapsed options had been de-recognised while the executed options, which have been settled in the subsequent financial year, are revalued at the updated estimate of the settlement values. The step up of the estimated settlement values was included in the Statement of comprehensive income under “Results from financial instruments”.
The amount was settled in cash during the financial year 2016/2017.

Insurances relate to life insurance claims and premiums originating from Gameen Koota.

24. Finance debt

The book value and fair value of loans and borrowings are as follows:

	Book value 2016/2017 EURO	Fair value 2016/2017 EURO	Book value 2015/2016 EURO	Fair value 2015/2016 EURO
Non-Current				
Finance debt	147,820,965	147,820,965	225,839,083	225,839,083
Conversion option on IPO Incentive Bond	-	-	6,668,000	6,668,000
Conversion option on Olympus Bond	-	-	6,658,869	6,658,869
	147,820,965	**147,820,965**	**239,165,952**	**239,165,952**
Current				
Overdrafts	-	-	-	-
Finance debt	261,563,165	261,563,165	150,191,234	150,191,234
	261,563,165	**261,563,165**	**150,191,234**	**150,191,234**
Total loans and borrowings	**409,384,130**	**409,384,130**	**389,357,186**	**389,357,186**

The currency profile of the Group's loans and borrowings is as follows:

	2016/2017 EURO	2015/2016 EURO
EUR	19,951,561	41,843,028
USD	-	27,409,579
INR	358,633,260	307,798,154
IDR	18,877,823	11,396,013
PHP	11,921,486	910,412
	409,384,130	**389,357,186**

The EUR bucket contains the IPO Incentive Bond which was issued on 31 October 2014 and subscribed by a multitude of investors. This related to a bond with par value of EUR 40,000,000. The 50% of the nominal amount of the bond has a conversion feature and the rest are treated as straight bond. The hybrid security did not meet the fix-for-fix criteria, hence, the conversion option of the IPO Incentive Bond (embedded derivative component) was separately measured and classified as "Financial liability at fair value through profit or loss" (note 20). The liability component of the IPO Incentive Bond was included in "Finance debt" and was measured at each balance sheet date at its amortised cost based on the effective interest rate of 12.248%, whilst the nominal interest rate payable annually on IPO Incentive Bond is equal to 6.5% per annum.

On 24 March 2017 the entire conversion option was exercised by the Company and the remaining amount remains to be a straight bond measured at amortized cost based on the effective interest rate of 9.31% which is redeemable on 15 February 2019, or earlier in case of an IPO or change of control.

The USD bucket as at 31 March 2016 contained the Olympus Bond which consisted of a convertible bond with a nominal value of USD 30,000,000 which was issued on 23 December 2015 by CreditAccess and subscribed by Olympus ACF Pte Ltd. The amount was to be redeemed at the latest on 31st December 2020 unless, prior to such redemption date, the bondholder exercises the conversion option or a Qualified IPO has occurred.

The subscriber exercised the conversion option on 24 March 2017.
The embedded derivative component was then measured at the conversion-date and the fair-value adjustment has been posted through the Result from financial instruments in the Statement of comprehensive income/(loss). Thereafter the cumulative amount of the "Financial liability at fair value through profit or loss" plus the "Liability component" have been posted to Equity.

The INR, IDR and PHP buckets represent borrowings from third parties typically in the form of senior loans. The weighted average rate on INR, IDR and PHP denominated financing liabilities are 12.08%, 12.87% and 10.08% respectively as of 31st March 2017.

Breach of loan covenants

The Group has various bank loans with carrying amount of EUR 409.3 million as at 31 March 2017. However, the loans contain covenants stating that the borrowing entity needs to meet certain financial ratios, otherwise the loan will be repayable on demand. Due to the demonetization incident in India that adversely affected the credit ratios of the GKFS, some of these loan covenants were breached. Hence, loans amounting to EUR 66.8 million (INR 4,639.1 mln) were reclassified from non-current to current.

Pledged assets

The Group (mainly Grameen Koota) has placed deposits as collateral for borrowings. Reference is made to notes 21 and 22 for the related amounts.

The terms and conditions stipulate that these securities shall be held by the lender on account of borrower for the repayment of the said loan and/or any other amount payable by the borrower to the lender, while the lender is authorised to withdraw/utilise/appropriate the proceeds, interest due thereon or of any other fixed-/short-term deposit opened in renewal/reinvestment thereof whether before or after due date thereof towards repayment of loan or any other amount without reference to the borrower.

The terms and conditions stipulate the borrower to authorise and irrevocably appoint the lender and/or its officer as its attorney to do whatever the borrower may be required to do in the exercise of all or any of the powers conferred on the lender including to recover, receive, collect, demand, sue for any of book debts, money receivables, money outstanding, claims, bills, supply bills of the borrower while the borrower shall bear the expenses that may be incurred in this regard. The lender or any person or persons appointed or nominated by it shall have the right at all times with or without notice to the borrower and if so required as attorney for and in the name of the borrower to enter in all premises, where the hypothecated assets including the premises where the books of accounts or other records documents etc. relating to the hypothecated assets are lying or left and to inspect value and take particulars of the same and/or to take abstracts from such books of account etc and the borrower shall produce all such records, books, vouchers, evidences and other information as the bank or the person(s) appointed or nominated as aforesaid by the lender may require.

Bank borrowings

The Group has undrawn committed borrowing facilities available at financial year end, for which all conditions have been met, as follows:

2016/2017	Floating rate EURO	Fixed rate EURO	Total EURO
Expiry within 1 year	-	13,977,549	13,977,549
Expiry within 1 and 2 years	73,850,455	5,763,938	79,614,393
Expiry in more than 2 years	25,217,228	-	25,217,228
Total	**99,067,683**	**19,741,487**	**118,809,170**

2015/2016	Floating rate EURO	Fixed rate EURO	Total EURO
Expiry within 1 year	-	910,412	910,412
Expiry within 1 and 2 years	7,954,395	6,628,662	14,583,057
Expiry in more than 2 years	-	3,977,197	3,977,197
Total	**7,954,395**	**11,516,271**	**19,470,666**

25. Employee benefit liabilities

Liabilities for employee benefits comprise:

	2016/2017 EURO	2015/2016 EURO
Accrual for annual leave	905,867	547,593
Other employee payables (salaries, bonus etc,)	1,679,214	1,203,,977
	2,585,081	**1,751,570**
Categorised as:		
Current	2,585,081	1,751,570
Non-current	-	-
	2,585,081	**1,751,570**

Estimates and assumptions

The costs, assets and liabilities of the defined benefit schemes operating by the Group are determined using methods relying on actuarial estimates and assumptions. Details of the key assumptions are set out in note 31.

The Group takes advice from independent actuaries relating to the appropriateness of the assumptions. Changes in the assumptions used may have a significant effect on the consolidated statement of comprehensive income and the consolidated statement of financial position.

26. Deferred tax

Deferred tax is calculated in full on temporary differences under the liability method using the local tax rates (India: 34.61%, Netherlands: 25%, Indonesia: 25%, Philippines: 30%).

The movement on the deferred tax account is as shown below:

	Asset 2016/2017 EURO	Liabilities 2016/2017 EURO	Asset 2015/2016 EURO	Liabilities 2015/2016 EURO
Opening balance	**1,988,457**	**4,583,289**	**512,427**	**1,536,432**
Recognised in profit and loss account				
Tax benefit	283,308	-	912,373	-
Foreign currency translation	79,291	89,245	-44,752	-167,661
Amortisation of Intangibles	-	-371,941	-	-342,193
Others	-63,983	-	85,405	-
Other reconciling items				
Impact of difference between tax depreciation and depreciation/amortisation charged to profit and loss account	35,588	-	-21,197	-
Impact of disallowance of leave encashment	73,722	-	29,580	-
Impact of provision against other assets	13,529	-	59,117	-
Impact of provision against standard and non-performing assets	5,275,354	-	606,600	-
Impact of amortisation of ancillary borrowing cost	384,607	-	-37,551	-
Impact of conversion from Indian GAAP to IFRS	-418,455	-	-113,545	-
Tax charge (credit) relating to components of other comprehensive income	-	-3,556,711	-	3,556,711
Closing balance	**7,651,418**	**743,882**	**1,988,457**	**4,583,289**

Deferred tax assets have been recognised in respect of all tax losses and other temporary differences giving rise to deferred tax assets where the management believe it is probable that these assets will be recovered. The movements in deferred tax assets and liabilities (after offsetting of balances within the same jurisdiction as permitted by IAS 12) during the period are shown below.

Details of the deferred tax liability, amounts recognised in profit or loss and amounts recognised in other comprehensive income are as follows:

	Asset 2016/2017 EURO	Liability 2016/2017 EURO	Net 2016/2017 EURO	(Charged)/ credited to profit or loss 2016/2017 EURO	(Charged)/ credited to equity 2016/2017 EURO
Tax losses carried forward	1,380,474	-	1,380,474	382,274	-
Temporary differences on property and equipment	72,170	-	72,170	29,619	-
Employee retirement benefit liabilities	38,168	-	38,168	-12,114	-
Other provisions	363,055	-	363,055	185,193	-
Other temporary and deductible differences	6,593,433	-	6,593,433	5,088,837	-
Impact of conversion from Indian GAAP to IFRS	-795,882	-	-795,882	-394,660	-
Intangible assets	-	743,882	-743,882	350,792	-
Tax charge (credit) relating to components of other comprehensive income	-	-	-	-3,556,711	-
Tax asset/(liabilities)	7,651,418	743,882	6,907,536	2,073,230	-
Effects of offsetting	-	-	-	-	-
Net tax assets/(liabilities)	**7,651,418**	**743,882**	**6,907,536**	**2,073,230**	**-**

	Asset 2015/2016 EURO	Liability 2015/2016 EURO	Net 2015/2016 EURO	(Charged)/ credited to profit or loss 2015/2016 EURO	(Charged)/ credited to equity 2015/2016 EURO
Tax losses carried forward	1,187,396	-	1,187,396	1,056,455	-
Temporary differences on property and equipment	29,903	-	29,903	-33,110	-
Employee retirement liabilities	24,036	-	24,036	-4,488	-
Other provisions	105,235	-	105,235	10,391	-
Other temporary and deductible differences	989,128	-	989,128	635,991	-
Impact of conversion from Indian GAAP to IFRS	-347,241	-	-347,241	-118,533	-
Intanginble assets	-	1,026,578	-1,026,578	357,229	-
Tax charge (credit) relating to components of other comprehensive income	-	3,556,711	-3,556,711	-	-
Tax asset/(liabilities)	1,988,457	4,583,289	-2,594,832	1,903,935	-
Effects of offsetting	-	-	-	-	-
Net tax assets/(liabilities)	**1,988,457**	**4,583,289**	**-2,594,832**	**1,903,935**	**-**

A deferred tax asset has not been recognised for the following:

	2016/2017 EURO	2015/2016 EURO
Unused tax losses	19,089,940	9,255,485
	19,089,940	**9,255,485**

The unused tax losses expire between 2018 and 2021 for the Indonesian part, amounting to EUR 0.8 mln. and between 2024 and 2026 for the Dutch part, amounting to EUR 18.3 mln.

27. Share capital

	Authorised 2016/2017 Number	2016/2017 EURO	2015/2016 Number	2015/2016 EURO
Ordinary shares of 1 euro each	100,000,000	100,000,000	100,000,000	100,000,000
Preference shares “V” of 1 euro each	7,500,000	7,500,000	7,500,000	7,500,000
Preference shares “E” of 1 euro each	-	-	7,500,000	7,500,000
Total	**107,500,000**	**107,500,000**	**115,000,000**	**115,000,000**

	Issued and fully paid 2016/2017 Number	2016/2017 EURO	2015/2016 Number	2015/2016 EURO
Ordinary shares of 1 euro each				
Opening balance	**25,070,801**	**25,070,801**	**25,070,801**	**25,070,801**
Issue of share capital	6,400,216	6,400,216	-	-
Conversions of convertible bonds	8,168,165	8,168,165	-	-
Closing balance	**39,639,182**	**39,639,182**	**25,070,801**	**25,070,801**

	Issued and for 25% paid 2016/2017 Number	2016/2017 EURO	2015/2016 Number	2015/2016 EURO
Preference "V" shares of 1 euro each				
Opening balance	**6,001,174**	**1,500,294**	**-**	**-**
Issue of share capital	-	-	6,001,174	1,500,294
Closing balance	**6,001,174**	**1,500,294**	**6,001,174**	**1,500,294**

During the financial year 2015/2016 there had been 6,001,174 preference shares “V” issued to Stichting CreditAccess Asia, of which 25% haven been paid up for an amount of EURO 1,500,294.
These "V" shares bear full voting rights, however distribution of profits may be restricted by the Board of Directors to a maximum of EUR 0.01.

As CreditAccess Asia NV is considered to be in control of the CAA Stichting this have been eliminated in the consolidated Financial Statements.

28. Reserves

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
Share premium	Amount subscribed for share capital in excess of nominal value.
Revaluation reserve/ Available-for-sale reserve	The revaluation reserve refers to available-for-sale reserve, which relates to gains/losses arising on financial assets classified as available-for-sale, net of applicable income taxes.
Translation reserve	Gains/losses arising on retranslating the net assets of foreign operations into EUR.
Retained earnings	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.
Treasury shares	Total cost of own shares held in treasury. The total number of shares held in treasury is 283,000.
Merger reserve	A merger reserve is recognised as the difference between the carrying amount of assets and liabilities acquired against (i) the value of paid up capital (including share premium) of the outstanding shares of the acquired entity (in case of the reverse merger with MFG SA) or (ii) the amount of the investment in the acquired entity as carried in the books of CreditAccess (in case of the merger with MFA SARL and SA SICAR).
Other reserves	Issuance of put obligation on shares in Grameen Koota Financial Services Pvt Ltd.; • This amount was recognised upon set up of the obligation to acquire the remaining shares in Grameen Koota Financial Services Private Limited. The amount was reduced upon the actual exercise/lapse of the options. Reclassification of the Convertible Preferred Equity Certificates; • As per 31 March 2016 in accordance with the amended terms and conditions, the security met the requirement for classifying as equity. Consequently, the total value of the 3,563,640 outstanding CPECs, with a face value of EUR 1.00 each, equal to EUR 8,909,100 as per 31 March 2015, had been reclassified from liability to equity. The broad terms and conditions of the CPECs were as follows: The CPECs are convertible into equity shares (i) upon request of the CPEC holder at any time or (ii) upon request of the Company upon listing of the Company; The conversion of the CPECs into equity shares is fixed at 1:1 ratio, resulting in total number of shares reserved for issue equal to 3,563,640, in the event of liquidation of the Company the CPECs rank pari passu with the equity shares; The CPEC holder does not have voting rights in the Company General Meeting of Shareholders. As a final note, there are no restrictions on the distribution of dividends of the Company.

29. Analysis of amounts recognised in other comprehensive income

	Revaluation reserve	Cash flow hedging reserve	Translation reserve	Retained earnings
	EURO	EURO	EURO	EURO
Period up to 31 March 2017				
Items that are or may be reclassified subsequently to profit or loss:				
Available-for-sale investments:				
Valuation (losses)/gains on available-for-sale investments	17,300,861	-	-	-
Transferred to profit or loss on sale	-13,948,305	-	-	-
Exchange differences arising on translation of foreign operations	-	-	10,178,753	-
Tax relating to items that may be reclassified	3,556,536	-	-	-
	6,909,092	**-**	**10,178,753**	**-**
Period up to 31 March 2016				
Items that are or may be reclassified subsequently to profit or loss:				
Available-for-sale investments:				
Valuation (losses)/gains on available-for-sale investments	15,119,128	-	-	-
Transferred to profit or loss on sale	-	-	-	-
Exchange differences arising on translation of foreign operations	-	-	-8,932,459	-
Tax relating to items that may be reclassified	-3,557,820	-	-	-
	11,561,308	**-**	**-8,932,459**	**-**

30. Leases

Operating lease commitments – lessee

This relates to commitments mainly in relation to the offices and branches.
The total future value of minimum lease payments is due as follows:

	2016/2017 EURO	2015/2016 EURO
Not later than one year	574,916	461,789
Later than one year and not later than five years	867,266	750,020
Later than five years	-	-
	1,442,182	**1,211,809**

31. Defined benefit schemes

(i) Defined benefit scheme characteristics and funding

The Group operates three post-employment defined benefit schemes for its employees in India, Indonesia and The Philippines.

- Scheme A provides employees in India with a pension on retirement in the form of provident fund and superannuation

Scheme A is funded by the Company and employees contribute to the scheme. Contributions by the Company are calculated by a separate actuarial valuation based on the funding policies detailed in the scheme agreement. Scheme A is insured. The insurer is responsible for the administration of the plan assets and for the definition of the investment strategy.

- Scheme B provides employees in Indonesia a pension on retirement.

- Scheme C provides employees in The Philippines a pension on retirement.

Schemes B and C are unfunded.

All three schemes are legally separate from the Group.

The scheme A pension plan in the insurance contract does not contain real assets, the plan asset is the value of the insurance contract (accrued benefits against discount rate). There is no direct relation between the value of the insurance contract and any investments in CreditAccess Asia N.V. or any other Group companies.

The schemes are exposed to a number of risks, including:

- *Investment risk:* movement of discount rate used (high quality corporate bonds) against the return from plan assets.
- *Interest rate risk:* decreases/increases in the discount rate used (high quality corporate bonds) will increase/ decrease the defined benefit obligation.
- *Longevity risk:* changes in the estimation of mortality rates of current and former employees.
- *Salary risk:* increases in future salaries increase the gross defined benefit obligation.

(ii) Reconciliation of post employment defined benefit obligation and fair value of scheme assets

Scheme A, Scheme B and Scheme C are all exposed to materially the same risks and therefore the reconciliation below is presented in aggregate.

	Defined benefit obligation		Fair value of scheme assets		Net defined scheme liability	
	2016/2017 EURO	2015/2016 EURO	2016/2017 EURO	2015/2016 EURO	2016/2017 EURO	2015/2016 EURO
Opening balance	**693,059**	**482,917**	**300,209**	**248,504**	**392,850**	**234,413**
Service cost	227,306	200,355	-	-	227,306	200,355
Interest cost (income)	142,280	20,369	-	-	142,280	20,369
Included in profit or loss	369,586	220,724	-	-	369,586	220,724
Re-measurement loss (gain)	-121,719	33,840	26,663	21,222	-148,382	12,618
Included in other comprehensive income	-121,719	33,840	26,663	21,222	-148,382	12,618
Employer contributions	-	-	153,413	49,725	-153,413	-49,725
Benefits paid	-34,676	-	-34,676	-	-	-
Other Movements	-34,676	-	118,737	49,725	-153,413	-49,725
Foreign exchange differences	-7,709	-44,422	-26,545	-19,242	18,836	-25,180
Closing balance	**898,541**	**693,059**	**419,064**	**300,209**	**479,477**	**392,850**
Represented by:						
- Scheme A					207,277	149,653
- Scheme B					160,690	95,733
- Scheme C					111,510	147,464
					479,477	**392,850**

(iii) Disaggregation of defined benefit scheme assets

The Plan assets consist for 100% of investments with the insurer.

(iv) Defined benefit obligation - actuarial assumptions

The principal actuarial assumptions used in calculating the present value of the defined benefit obligation of Scheme A, Scheme B and Scheme C (weighted average) include:

	2016/2017	2015/2016
Discount rate	7.47%	7.44%
Growth in future salaries	6.30%	8.22%

32. Share-based payment

The Group operates an equity-settled share based remuneration scheme for employees of Grameen Koota:

	2016/2017 Weighted average exercise price (EUR cents)	2016/2017 Number	2015/2016 Weighted average exercise price (EUR cents)	2015/2016 Number
Outstanding at beginning of period	0.41 (INR 30.38)	1,655,015	0.39 (INR 30.35)	1,677,265
Granted during the period	1.04 (INR 76.85)	431,000	-	-
Forfeited during the period	0.43 (INR 31.29)	-439,515	0.44 (INR 31.29)	-22,250
Exercised during the period	-	-	-	-
Lapsed during the period	-	-	-	-
Outstanding at end of period	**0.62 (INR 43.37)**	**1,646,500**	**0.41 (INR 30.38)**	**1,655,015**

The exercise price of options outstanding at 31 March 2017 ranged between EUR 0.39 (INR 27) cents and EUR 1.11 (INR 76.85) and their weighted average remaining contractual life was 5.08 year. Of the total number of options outstanding at 31 March 2017, 899,500 had vested and were exercisable.

During the period 431,000 were granted, while no options were exercised.

Furthermore in this financial year the Group established an equity-settled share based remuneration scheme for key management personnel and senior employees of CreditAccess Asia N.V. and group-companies. Under this programm participants may be granted options which vest upon completion of three years of service. Once vested the options can be exercised on successful IPO before 30 June 2021. When exercisable each option can be converted into one equity share. The fair-value of the options granted was determined using a Black-Scholes method of valuation.

	2016/2017 Weighted average exercise price (EUR cents)	2016/2017 Number	2015/2016 Weighted average exercise price (EUR cents)	2015/2016 Number
Outstanding at beginning of period	-	-	-	-
Granted during the period	4.79	161,907	-	-
Forfeited during the period	-	-	-	-
Exercised during the period	-	-	-	-
Lapsed during the period	-	-	-	-
Outstanding at end of period	**4,79**	**161,907**	**-**	**-**

The exercise price of options outstanding at 31 March 2017 was EUR 4.79 and their weighted average remaining contractual life was 4.33 year. Of the total number of options outstanding at 31 March 2017, none had vested and none were exercisable.

During the period 161,907 options were granted, while no options were exercised.

The share-based remuneration expense (note 10) comprises:

	2016/2017 EURO	2015/2016 EURO
Equity-settled schemes	154,099	76,997
Cash-settled scheme	-	-
	154,099	**76,997**

The Group did not enter into any share-based payment transactions with parties other than employees of the group, during the current or previous period.

33. Related party transactions

Subsidiaries
The financial statements include the financial statements of the Company and its direct and indirect subsidiaries listed in the following table on a non-diluted basis:

Company	Country	Ownership 31 March 2017	Ownership 31 March 2016
Grameen Koota Financial Services Private Limited	India	99.44%	96.54%
PT Konsultasi Mikro Ventura	Indonesia	99.99%	99.99%
PT Bina Artha Ventura	Indonesia	99.59%	99.59%
MicroVentures Philippines Financing Company. Inc.	Philippines	100.00%	99.97%
MV Microfin Private Limited	India	100.00%	100.00%
MVH S.p.A.	Italy	100.00%	100.00%
CAA Vietnam Trading Company Limited	Vietnam	100.00%	-
Stichting CreditAccess Asia	The Netherlands	n/a	n/a

Other investees
Other investees considered as related parties are:

Company	Country	Ownership 31 March 2017	Ownership 31 March 2016
Equitas Holdings Pvt Ltd.	India	5.20%	12.84%

Significant transactins within the group
Apart from the transactions disclosed in note 42, there have been no significant inter-company transactions.

Remuneration of the key management personnel

The amounts disclosed below are the amounts recognised as an expense during the reporting period related to Key Management Personnel.
Key Management Personnel include: the Chief Executive Officer, the executive and the non-executive directors (equivalent to statutory board members).

The remuneration of the executive and non-executive directors comprises of a sitting fee per attended meeting.

The remuneration of the CEO comprises only gross short-term employee benefits, while In addition the CEO has been granted 62,500 esop rights.

It is noted that the Company did not provide any other post-employment benefits, other long-term employee benefits, termination benefits nor share-based payments, bonuses and profit shares to any of the other Key Management Personnel during the reporting year.

Mr. P. Brichetti, Ms. M. Pittini and Mr. G. Siccardo are minority shareholders of the Company.

Non-executive directors

	Remuneration 2016/2017 EURO	Remuneration 2015/2016 EURO
Mr. K.J.M. Slobbe	8,100	9,490
Mr. E.M.T. Ludding	4,000	4,000
Mr. D. Mintz	4,500	900
Mr. F.G.M. Moccagatta	4,200	4,900
Ms. M. Pittini	4,300	5,500
Mr. G. Siccardo	4,500	4,600
Mr. A. Stoffela	400	200
Mr. F. Carini	-	-
Mrs. C.Engstrom	-	-
Mr. J. Epstein	-	-
	30,000	**29,590**

Executive directors

	Remuneration 2016/2017 EURO	Remuneration 2015/2016 EURO
Mr. P. Brichetti (CEO)	299,360	270,300
Mr. D. Legger	7,200	7,200
Mr. W.L. Nienhuis	7,200	7,200
	313,760	**284,700**

Related party transactions

During the periods under review there have been no other related party transactions.

34. Contingent liabilities

The Group has commitments relating to capital expediture for tangible fixed assets, amounting to EUR 2.1 mln (31 March 2016: 31 March 2016: EUR 1.1 mln).

35. Subsequent events

The Company has secured additional EUR 17.2 million in June 2017. This capital increase has been subscribed in cash with the same terms and conditions as the March 2017 transactions.

During the month of August 2017 the Internal Audit Team of CAA-BAV (Indonesia) has detected a fraud event. Due to immediate adequate actions, the responsible person has been detected, reported to the authorities and arrested. The person has admitted the offence and will be prosecuted in a legal trial. There is no impact on the consolidated statement of comprehensive income as at 31 March 2017, however the 'Other receivables' within the consolidated statement of financial position are overstated by approximately EUR 130,000 while the 'Cash and cash equivalents' are impacted by the equivalent amount in reverse.
CAA-BAV is reviewing its internal-processes and controls and has taken already appropriate measurements to prevent similar incidents in future.
The management is also confident to be able to recover a large portion of the amounts concerned, together with possible related expenses incurred, by seizing the assets of the responsible person.
Therefore no provision has been recorded in the Financial-statements for the year ended 31 March 2017.

In the aftermath of demonetisation and local political interference in India, we have so far witnessed a solid and continuous recovery trend of the loans in arrears. If this trend continues at this pace, it could lead to reversals of the extraordinary loan loss provisions booked in March 2017 by Grameen Koota Financial Services Pvt Ltd (India).

36. Notes supporting statement of cash flows

Cash and cash equivalents for purposes of the statement of cash flows comprises:

	2016/2017 EURO	2015/2016 EURO
Cash at bank and in hand available on demand (note 5)	62,953,899	43,067,114
Short-term deposits (note 5)	8,327,014	11,607,882
	71,280,913	**54,674,996**

Significant non-cash transactions are as follows:

	2016/2017 EURO 000	2015/2016 EURO 000
Investing activities		
-	-	-
Financing activities		
Conversion of IPO bond	23,520	-
Conversion of Olympus bond	39,432	
Reclassification of Convertible Preferred Equity Certificates	-	8,900
Total significant non-cash transactions	**62,952**	**8,900**

Company statement of profit and loss

	Note	2016/2017 EURO	2015/2016 EURO
Interest income and fees		114,379	468,551
Interest expenses and fees	38	-7,411,500	-6,481,560
Net interest income and fees		**-7,297,121**	**-6,013,009**
Other income		5,882	-
Total income		**-7,291,239**	**-6,013,009**
Loan loss provision & write-off - gains and losses		-	-
Gross result		**-7,291,239**	**-6,013,009**
Personnel expenses	39	886,639	894,085
Depreciation and amortisation		11,104	11,954
Other operating expenses	40	1,197,379	1,656,643
Operating expenses		**2,095,122**	**2,562,682**
Operating result before value adjustments		**-9,386,361**	**-8,575,691**
Result from foreign currency denominated transactions		-960,358	2,195,201
Result from financial instruments	41	-7,835,751	-4,946,385
Other gains and losses		-	-
Share in result of subsidiaries	43	18,699,254	6,321,358
		9,903,145	**3,570,174**
Result before taxation		**516,784**	**-5,005,517**
Taxation on result		-	-9,711
Result for the period		**516,784**	**-5,015,228**

Company balance sheet

(before appropriation of result)	Note	31 March 2017 EURO	31 March 2016 EURO
Assets			
Non-current assets			
Intangible fixed assets	42	18,005,324	16,785,825
Tangible fixed assets		70,931	7,032
Investments in subsidiaries	43	155,279,723	103,507,398
Investments in equity securities	44	42,917,761	25,616,900
		216,273,739	**145,917,155**
Current assets			
Accounts receivable		-	-
Accounts receivable – related parties	44	2,043,689	6,085,715
Other accounts receivables		108,580	50,217
Cash and cash equivalents	46	10,849,412	18,753,751
		13,001,681	**24,889,683**
Total assets		**229,275,420**	**170,806,838**

	Note	31 March 2017 EURO	31 March 2016 EURO
Liabilities			
Current liabilities			
Finance debt		-	-
Trade and other payables	47	1,711,287	20,357,367
Trade payables - related parties	48	117,925	162,495
Current liabilities - related parties	48	770,000	-
Taxation and social security premiums		40,388	80,707
		2,639,600	**20,600,569**
Current assets minus current liabilities		**10,362,081**	**4,289,114**
Assets minus current liabilities		**226,635,820**	**150,206,269**
Non-current liabilities			
Finance debt	49	20,010,780	55,925,738
Financial liabilities at fair value through profit or loss	49	-	13,326,869
		20,010,780	**69,252,607**
Total liabilities		**22,650,380**	**89,853,176**
Assets minus liabilities		**206,625,040**	**80,953,662**

	Note	31 March 2017 EURO	31 March 2016 EURO
Capital and reserves attributable to owners of the company	50		
Share capital		41,139,476	26,571,095
Share premium		123,639,815	31,041,645
Treasury shares		-321,452	-321,452
Merger reserve		798,915	798,915
Revaluation reserve		32,165,901	25,256,635
Translation reserve		8,848,479	-1,330,274
Other reserves		10,349,970	9,449,946
Retained earnings / (Accumulated losses)		-9,996,064	-10,512,848
Total equity		**206,625,040**	**80,953,662**
Total equity and liabilities		**229,275,420**	**170,806,838**

Notes to the Company financial statements

37. Accounting policies for the Company financial statements

The Company financial statements of CreditAccess Asia N.V., which form part of the consolidated financial statements for 31 March 2017 of the Company, have been prepared in accordance with the provisions of Part 9, Book 2 of the Dutch Civil Code. Pursuant to Section 362(8) of this Code, the same accounting policies were used as in the consolidated financial statements.

Assets and liabilities are measured, foreign currencies translated and profit determined in accordance with the same accounting policies of the consolidated financial statements as described earlier in this report.

The carrying amount of the current portion of financial instruments approximates fair value.

In the Company financial statements, subsidiaries over which the Company has significant control are recognised using the equity method of accounting. If the share of losses of CreditAccess Asia N.V. exceeds the value of the ownership interest in a subsidiary, the book value of the subsidiary is reduced to nil in the balance sheet and further losses are no longer recognised except to the extent that CreditAccess Asia N.V. has legally enforceable or constructive obligation.

38. Interest expenses and fees

	2016/2017 EURO	2015/2016 EURO
Interest on IPO Incentive Bond	4,212,981	4,167,046
Interest on Olympus Bond	3,023,313	760,740
Interest on redemption liability for future share purchases in GKFS	-	1,644,015
Others	175,206	-90,241
Total	**7,411,500**	**6,481,560**

39. Personnel expenses

	2016/2017 EURO	2015/2016 EURO
Personnel expenses (including directors) comprise:		
Wages and salaries	793,942	813,615
Social security costs	62,296	80,470
Share options granted to directors and employees	30,401	-
Total	**886,639**	**894,085**

The average number of employees (full time equivalent, rounded) was 6 (2015/2016: 7)

40. Other operating expenses

	2016/2017 EURO	2015/2016 EURO
Travel and lodging	132,226	154,136
Rental and office expenses	90,858	53,723
Communication and IT	17,358	15,416
HR and benefits expenses	29,755	34,772
Equity advisory	-	589,562
Business advisory	526,902	288,327
Legal fees	37,764	188,407
Audit and accounting	181,931	241,461
Directors fees	52,700	32,158
Other professional fees	65,075	26,877
Bank charges	7,299	16,777
Marketing and advertising	45,116	2,718
Other operating expenses	10,395	12,309
Total	**1,197,379**	**1,656,643**

41. Results from financial instruments

	2016/2017 EURO	2015/2016 EURO
Fair-value adjustment on conversion option of IPO Incentive Bond	-	-100,000
Fair-value adjustment on conversion option of Olympus Bond	-7,835,751	-25,103
Fair-value adjustment on Convertible Preferred Equity Certificates	-	-
Adjustment to settlement value of redemption liability	-	-4,821,282
Total	**-7,835,751**	**-4,946,385**

42. Intangible fixed assets

The movements during the period are as follows:

	2016/2017			2015/2016		
					EURO	EURO
			Goodwill			Goodwill
	Cost	Accumulated amortisation and impairment	Net book value	Cost	Accumulated amortisation and impairment	Net book value
Opening balance	**17,793,382**	**-1,007,557**	**16,785,825**	**19,346,401**	**-920,342**	**18,426,059**
Acquired through business combinations	-	-	-	-	-	-
Amortisation and impairment	-	-	-	-	-	-
Foreign exchange rate movements	1,307,090	-87,591	1,219,499	-1,553,019	-87,215	-1,640,234
Closing balance	**19,100,472**	**-1,095,148**	**18,005,324**	**17,793,382**	**-1,007,557**	**16,785,825**

43. Investments in subsidiaries

The movements during the period are as follows:

	2016/2017 EURO	2015/2016 EURO
Opening balance	**103,507,398**	**90,511,705**
Additions arising from business combinations and direct acquisitions	54,994,594	20,907,254
Capital reductions and dividends	-18,889,026	-10,820,928
Share in result of subsidiaries	18,699,254	6,321,358
Share in participations, directly through equity	-10,331,664	3,823,725
Exchange rate differences	7,299,167	-7,235,716
Closing balance	**155,279,723**	**103,507,398**

Included in “Investment in subsidiaries” is the investment made by the Company in five compulsory convertible debentures (“CCD”) with a face value of INR 100,000,000 of each CCD issued by MV Microfin Private Limited (“MV Microfin”) and one CCD issued by Gramaan Koota Financial Services Pvt Ltd, amounting to INR 2,000,000,000. This interest-bearing hybrid instrument is mandatorily convertible into a fixed number of equity shares of MV Microfin at the maturity date of 31 December 2019 and of Grameen Koota at maturit date of 31 March 2021. The Company can also opt for an early conversion date at any time. Because of the fixed for fixed feature of the instrument, for an accounting point of view it is treated as equity like.
The carrying amount as at 31 March 2017 relating to these instruments amounted to EUR 36,024,872 (INR 2,500,000,000).
(31 March 2016; EUR 6,628,680 / INR 500,000,000)

44. Investments in equity securities

This relates to the investment in Equitas Holdings Pvt Ltd (India)
The movements during the period are as follows:

	2016/2017 EURO	2015/2016 EURO
Opening balance	**25,616,900**	**17,928,065**
Additions arising from business combinations and direct acquisitions	-	-
Net gains recognised through revaluation reserve	17,300,861	7,688,835
Closing balance	**42,917,761**	**25,616,900**

45. Accounts receivable – related parties

	2016/2017 EURO	2015/2016 EURO
MicroVentures Philippines Financing Company, Inc. (re. unallotted shares)	-	3,553,304
MV Microfin Private Ltd. (re. CCD-interest)	20,789	4,903
Grameen Koota Financial Services Pvt Ltd. (re. CCD-interest)	59,219	-
MVH S.p.A. (re. receivable dividends)	270,013	1,020,928
CAA Vietnam Trading Company Ltd. (re. short-term bridge financing)	187,073	-
Stichting CreditAccess Asia (re. capital to be paid-up & advanced expenses)	1,506,595	1,506,580
Total	**2,043,689**	**6,085,715**

Relating to the items in in notes 43, 44 and 45, Management noted no indicators for impairment.

46. Cash and cash equivalents

	2016/2017 EURO	2015/2016 EURO
Cash at bank and in hand available on demand	10,849,412	18,753,751
Short-term deposits	-	-
Total	**10,849,412**	**18,753,751**

The amout consits of petty-cash fund and direct available bank current-account balances.
In addition the Company maintains a credit facility with a local bank amounting to EUR 500,000 that is unsecured and can be drawn down to meet short-term financing needs. The facility has a 30-day maturity that renews automatically at the option of the Company. Interest would be payable at a rate of Euribor plus 100 basis points. (2015/2016: not applicable)

47. Trade and other payables

	2016/2017 EURO	2015/2016 EURO
Trade payables	79,786	156,999
Redemption liability on future share purchases in Grameen Koota	-	18,732,866
Accrued interest on borrowings	1,059,341	1,133,889
Unrealised exchange result on forward contract	-	13,655
Other liabilities and accrued expenses	572,160	319,958
Total	**1,711,287**	**20,357,367**

48. Trade- and other current liabilities - related parties

	2016/2017 EURO	2015/2016 EURO
PT Konsultasi Mikroventura	117,925	76,540
MV Microfin Private Limited	-	85,955
MVH s.p.A.	770,000	-
Total	**887,925**	**162,495**

The amounts with KMV and MVM relate to on-charged expenses.
The amount with MVH relates to the remaining balance from a temporary short-term revolving credit facility, on which 1.488% (Euribor plus 150 basis-point) interest is charged.

49. Non-current liabilities

The movements during the period are as follows:

	Finance debt EURO	Financial liabilities at fair value through profit or loss EURO	Total EURO
Opening balance	**55,925,738**	**13,326,869**	**69,252,607**
Issued convertible debt	-	-	-
Movements through profit and loss account:			
Fair value adjustments	-	7,835,751	7,835,751
Interest	7,236,293	-	7,236,293
Foreign exchange	1,162,913	-	1,162,913
Movements through equity:			
Conversions	-44,314,164	-21,162,620	-65,476,784
Closing balance	**20,010,780**	**-**	**20,010,780**

The fair value of the long-term liabilities amounts to EUR 19.9 million (discounted at 9.31%, equal to the effective interest rate on the IPO incentive bond).

50. Equity

The authorised share capital amounts to EUR 115,000,000, divided into 115,000,000 shares
with a par value of EUR 1,00 of which 41,139,476 shares have been issued and paid-up, while 4,500,881 shares were issued but not fully paid.

The movements during the year are as follows:	Issued and paid-up capital	Share premium	Treasury shares	Merger reserve	Revaluation reserve	Translation reserve	Other reserves	Retained earnings / Accum.losses	Total
	EURO	EURO	EURO	EURO	EURO	EURO	EURO	EURO	EURO
31 March 2016	**26,571,095**	**31,041,645**	**-321,452**	**798,915**	**25,256,635**	**-1,330,274**	**9,449,946**	**-10,512,848**	**80,953,662**
Capital increases	6,400,216	41,399,784	-	-	-	-	-	-	47,800,000
Conversions of convertible bonds	8,168,165	52,283,163	-	-	-	-	2,500,006	-	62,951,334
Transaction costs incurred	-	-1,084,777	-	-	-	-	-	-	-1,084,777
Other movements during the period	-	-	-	-	6,909,266	10,178,753	-1,599,982	-	15,488,037
Net result for the period	-	-	-	-	-	-	-	516,784	516,784
31 March 2017	**41,139,476**	**123,639,815**	**-321,452**	**798,915**	**32,165,901**	**8,848,479**	**10,349,970**	**-9,996,064**	**206,625,040**

	Issued and paid-up capital	Share premium	Treasury shares	Merger reserve	Revaluation reserve	Translation reserve	Other reserves	Retained earnings / Accum.losses	Total equity
	EURO	EURO	EURO	EURO	EURO	EURO	EURO	EURO	EURO
31 March 2015	**25,070,801**	**31,041,645**	**-321,452**	**798,915**	**13,695,327**	**7,602,185**	**-9,918,382**	**-5,497,620**	**62,471,419**
Capital increases	1,500,294	-	-	-	-	-	-	-	1,500,294
Other movements during the period	-	-	-	-	11,561,308	-8,932,459	19,368,328	-	21,997,177
Net result for the period	-	-	-	-	-	-	-	-5.015,228	-5,015,228
31 March 2016	**26,571,095**	**31,041,645**	**-321,452**	**798,915**	**25,256,635**	**-1,330,274**	**9,449,946**	**-10,512,848**	**80,953,662**

51. Commitments and contingencies

The Company does not report any significant commitments and contingencies.

52. Subsequent events

The Company has secured additional EUR 17.2 million in June 2017. This capital increase has been subscribed in cash with the same terms and conditions as the March 2017 transactions.

53. Proposed appropriation of the result

The result of EUR 516,784 for the year ended 31 March 2017 is shown as 'Result for the period' until the shareholders of the Company approve the 2016-2017 financial statements and the appropriation of result.

At the general meeting of the shareholders a proposal will be put forth to approve the financial statements and to deduct the 2016-2017 net result after taxes from 'Retained earnings/(deficit)'.

Amsterdam, 25 September 2017
CreditAccess Asia N.V.

Executive Board:
P. Brichetti (CEO)
D. Legger (until 21 March 2017)
W.L. Nienhuis (until 21 March 2017)

Non-executive Board:
K. J. M. Slobbe (Chairman of the Company)
F. Carini (from 24 March 2017)
C. Engstrom (from 24 March 2017)
J. Epstein (from 24 March 2017)
E. M.T. Ludding (until 21 March 2017)
D.R. Mintz
F.G.M. Moccagatta
M. Pittini (until 21 March 2017)
G. Siccardo
A. Stoffella (until 21 March 2017)

Other information

Statutory rules concerning appropriation of result

Article 21 of the Company articles of association

1. The net result after tax is at the free disposal of the general shareholders' meeting.
2a. The Company can only pay out the amount of profit, which is approved for distribution, to the shareholders and other recipients. The distributions are only allowed by law when the shareholders' equity is greater than the paid up and requested amount of the accumulated retained capital including retained earnings.
2b. Profit distributions occur after the approval of the financial statement at which can be distributed if permitted, by law and the shareholders.
2c. No distributions are allowed from the Company's paid up share capital.
3. When calculating the amount available for profit distribution the share capital which the Company maintains is not taken into account, unless the shares are charged for beneficial interest or in cooperation with the entity certificates are issued.
4. The Company may only pay out interim bonuses when article 21.2a is fulfilled.

T: +31 (0)20 543 21 00
E: amstelveen@bdo.nl
www.bdo.nl

BDO Audit & Assurance B.V.
P.O. Box 71730, 1008 DE Amsterdam
Krijgsman 9, 1186 DM Amstelveen
The Netherlands

Independent auditor's report

To: the shareholders of CreditAccess Asia N.V.

A. Report on the audit of the financial statements 31 March 2017

Our opinion

We have audited the financial statements as at 31 March 2017 of CreditAccess Asia N.V., based in Amsterdam. The financial statements include the consolidated financial statements and the company financial statements.

In our opinion:

- the enclosed consolidated financial statements give a true and fair view of the financial position of CreditAccess Asia N.V. as at 31 March 2017 and of its result and its cash flows for the financial year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code;
- the enclosed company financial statements give a true and fair view of the financial position of CreditAccess Asia N.V. as at 31 March 2017 and of its result for the financial year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

1. the consolidated statement of financial position as at 31 March 2017;
2. the following consolidated statements for the year ended 31 March 2017: the statements of profit and loss and other comprehensive income, changes in equity and cash flows for the year then ended; and
3. the notes comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

1. the company balance sheet as at 31 March 2017;
2. the company profit and loss account for the year ended 31 March 2017; and
3. the notes comprising a summary of the applicable accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of CreditAccess Asia N.V. in accordance with the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA).

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

B. Report on other information included in the annual report

Next to the financial statements and our opinion thereon, the annual report consists of other information, including:

- the Directors Report;
- the other information on page 90.

Based on the procedures as mentioned below, we are of the opinion that the other information:

- is consistent with the financial statements and contains no material deficiencies;
- includes all information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information and based on our knowledge and understanding obtained from the audit of the financial statements or otherwise, we have considered if the other information contains material deficiencies.

With these procedures, we have complied with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Auditing Standard 720. These procedures do not have the same scope as our audit procedures on the financial statements.

The Board of Directors is responsible for the preparation of the Directors Report and the other information on page 90 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

C. Description of responsibilities for the financial statements

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Directors is responsible for such internal control as the Board of Directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to errors or fraud.

As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting unless Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The Board of Directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The Board of Directors is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements
Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material errors and fraud.

Misstatements can arise from errors or fraud and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to errors or fraud, designing and performing audit procedures responsive to those risks and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Concluding on the appropriateness of the Board of Directors' use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company ceasing to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

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

Amstelveen, 25 September 2017

For and on behalf of BDO Audit & Assurance B.V.,

sgd.
drs. M.F. Meijer RA

NETHERLANDS

CreditAccess Asia N.V.
WTC Amsterdam Tower C-10
Strawinskylaan 1043
1077 XX Amsterdam

Telephone: +31 20 8080654
info@creditaccess.com

INDIA

Grameen Koota Pvt. Ltd.
26 Srinivasa Archada Srinidhi Layout
Opp. Srinidhi Public School Chunchana Ghatta
560078 Bangalore

Telephone: +91 80 30418100
info@gfspl.in

INDONESIA

PT. Bina Artha Ventura
Grha Niaga Thamrin Lantai 3
Jl. KH Mas Mansyur
RT 016 RWW 009
Kel. Kebon Kacang, Kec. Tanah Abang
Jakarta Pusat 10230

Telephone: +62 211 5713946-47
info@bina-artha.net

PHILIPPINES

Microventures Philippines Financing Company Ltd.
(OnePuhunan)
Unit 2906 One San Miguel Avenue Office
Condominium San Miguel Avenue cor. Shaw Blwd.
Bgy. San Antonio – Ortigas Center, 1600 Pasig City

Telephone: +63 2 2340845
info@onepuhunan.com.ph