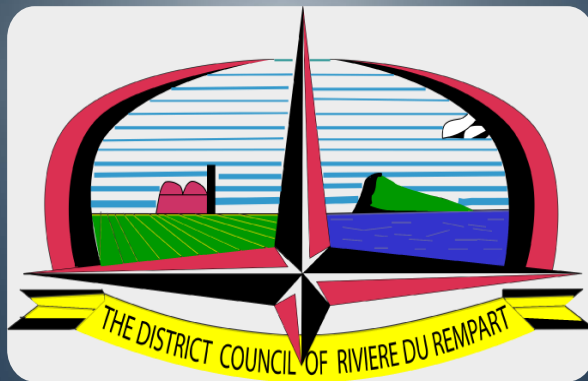


July 2018 – June 2019

# ANNUAL REPORT



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***Service to our District***

***is***

***Service to our Nation***



## **THE CHAIRMAN'S STATEMENT**



The preceding financial year for 2018/2019 was very challenging. In fact, every year comes with its own challenges and there are some new elements which come into the front scene.

The new elements and also challenges which have to be highlighted are

*(1) the amendment to the Local Government Act in November 2018 to extend the mandate of elected members of Village Councils up to 2020 and*

*(2) the Writ of Elections issued in June 2019 for a By-Election in Constituency No 7.*

An extension of a mandate and a pre-election period are very crucial for those who hold public offices. They are also decisive as performance of an electoral mandate is assessed by the public.

A new responsibility as well as a personal challenge for me, as Chairperson of the District Council, was my nomination as Chairperson of the Association of District Councils on 7 March 2019.

The District Council of Rivière du Rempart, as a local authority, therefore an essential partner of Central Government, had assumed its responsibilities within its administrative area. The Council had focused on completion of on-going projects and initiation of procedures for new projects for the benefit of the inhabitants of our district, among which the launching of a second bid exercise



for the much-awaited project of Construction of a New Market and Traffic Centre at Goodlands. The land for the project was donated by Compagnie Sucrière de St Antoine. This is an example of the contribution of the private sector to the development of the country. The Council expresses its deep gratitude to Compagnie Sucrière de St Antoine for this donation and also for confirming, in May 2019, the release of an additional 5,481 square meters of land for this project.

A historic event which was celebrated in 2018 was the 50<sup>th</sup> anniversary of the accession of Mauritius to the status of an independent state on 12<sup>th</sup> March 2018. Such an event is not only celebrated but also calls for reflexions on achievements and new goals. The changes in mindset as well as innovative activities and projects had been planned for 2018/2019.

New activities and new projects were considered by the District Council to enhance the quality of living of its inhabitants and bring forward development to the area. Among the activities which were in the limelight, I have to mention the Intervillage Football Tournament which took place from September to December 2018 and the first phase of the distribution of bins to sensitize our inhabitants about the importance of a clean environment. The distribution of bins for which the Council had necessitated an investment of Rs4.5 million, started in April 2019 and more than 9,000 covered bins were handed over by end of June 2019, to households in our villages and some 100 wheelies to religious and educational institutions. I am also very satisfied that the Petit Raffray Multipurpose Complex and the Multipurpose Hall/Day Care Centre at Roches Noires had been inaugurated respectively in December 2018 and June 2019.

An unfortunate event however was the flooding of the village of Cottage in December 2018 whereby houses of inhabitants and road infrastructure sustained severe damages. As usual, during emergency periods, government gave support to the Council by contributing nearly Rs2 million, under the Emergency Flood Rehabilitation Programme, for road rehabilitation works and the reconstruction of boundary walls for seventeen properties in Cottage.

On a conclusive note, I am confident that the District Council of Rivière du Rempart had performed during the past financial year to the best of its ability with the support of its elected and administrative teams.



**Prembhoodass ELLAYAH**

**Chairperson District Council /**

**Chairperson Association of District Councils**

## **THE CHIEF EXECUTIVE'S STATEMENT**



The guiding principles for the preceding financial year were spelt out in the Budget Circular 2018/2019 issued by the Financial Secretary to Supervising Officers in Charge of Ministries/Departments.

As Chief Executive and Responsible Officer of the District Council of Rivière du Rempart, I had to ensure that the Council adhere fully to these principles, among which *upliftment of the quality of life of inhabitants of the District, improvement in public service delivery and preparedness of schemes/projects in the public interest.*

Any organisation, whether public or private, performs mainly with available resources, that is, finance, labour, equipment and other assets. But the prime resource is the budget to manage and attain the Council's objectives or goals.

The preceding financial year 2018/2019 was very crucial in that a 3-year strategy, starting 2018/2019, had to be prepared as required by government. The Council therefore had mobilised its resources for a course of action aiming at efficient and effective

- (i) delivery of services
- (ii) management of finances to deliver these services
- (iii) implementation of development objectives in terms of infrastructure and amenities.



The Administrative team, as for each financial year, had to be ready for recurring and new challenges. Proper implementation and monitoring of projects were undertaken in consideration of the grants allocated by Central Government under the Local Development Projects Scheme as well as other grants for specific projects. One such specific project was the implementation of the Rain Water Harvesting Project with a grant of Rs500,000 and with the objective of encouraging local authorities to use rain water for routine cleaning works in line with sustainable development.

Unexpected issues which Administration had to consider and follow up, at administrative level, was the resignation of a member of the National Assembly for Constituency no.7 in March 2019 and the Writ of Election issued in June 2019. There was also the extension of the mandate of elected members of Village Councils following an amendment to the Local Government Act in November 2018.

Proper monitoring had to be done in respect of the Declaration of Assets Act 2018 passed by the National Assembly on 12<sup>th</sup> December 2018, proclaimed on 7<sup>th</sup> May 2019 and which had, at that time, to be enforced on 1<sup>st</sup> June 2019 but which was stalled as other amendments were expected.

At administrative level, 2018/2019 had been quite challenging also in terms of new procedures/new events which contributed largely to our experience. There was the launching of the new Building and Land Use Permit process by the Economic Development Board on 16<sup>th</sup> April 2019. In regard to complaint management, the Citizens Support Unit portal was present in Rivière du Rempart with “CSU Debark dan ou landrwa” on 16<sup>th</sup> February 2019.

Following the Human Resource Audit Exercise for Local Authorities, which as initiated by our parent Ministry in April 2018 and which provided an opportunity to Administration to voice out its constraints and its needs, justifications for additional and new posts were handed over to the consultant in August 2018.

Furthermore, the National Human Rights Commission had organised, on 29<sup>th</sup> May 2019, a workshop on human rights issues, among which “*attending to complaints*” and “*sensitisation programs*”. Councillors and senior officials of this Council attended this one-day workshop. This participation also added to our experience.

I have to mention also the responsibilities of Secretary of the Association of District Councils which I had assumed in March 2019 and which had been and still are very helpful in the discharge of administrative duties at local level.

Overall, with the resources available, the Administration had been, as usual, very supportive of the Council’s objectives which had aimed at services, facilities and amenities in the best interest of the District of Rivière du Rempart.



**Dheeraj GOPAUL**  
Chief Executive



## **MISSION/PURPOSE, VISION & VALUES**

As a local authority, the District Council of Rivière du Rempart has the responsibility to establish and protect the purpose as well as the core values and principles which govern its activities and which should aim at promoting the social, economic and cultural well-being of the local community. The Council is a corporate body following the rules and regulations pertaining to its purpose as stipulated in its framework law and the principles of good governance.

### **MISSION/PURPOSE**

Efficient and effective service delivery and schemes/projects to meet customer expectation for continuous development in the region under the Council's jurisdiction and for improvement of the quality of life of its inhabitants.

### **VISION**

The Council aims at:

- making the institution that it represents stronger day by day through the use of all existing resources for the improvement of services and showcasing its commitment to the welfare of the local community;
- the recognition of the District of Rivière du Rempart as a peaceful, sustainable, progressive and prosperous.
- this development of the district as a region where ancestral heritage and modernity blend harmoniously.
- improving the work environment for high standards in the delivery of services;
- encouraging the culture of teamwork and community participation;
- identifying ways and means to increase its resources to achieve sustainable development goals.
- exploring partnership avenues with various sectors for a common goal: *a prosperous future for the region.*

## **VALUES**

The Council's mission/purpose is founded on the values of :

- service to the community
- integrity
- accountability
- transparency
- fairness
- courtesy
- excellence

## HISTORY & PROFILE

In 1968, when Mauritius became an independent state, the northern region constituted of the Districts of Pamplemousses and Rivière du Rempart which were administered by one corporate body: the Pamplemousses/ Rivière du Rempart District Council (established in 1951). The Local Government Act 2011 had made provision for each district to be administered by a local authority. Consequently the District Council of Rivière du Rempart was officially established as from 1<sup>st</sup> January 2013.

Located in the north-east part of Mauritius, the District of Rivière du Rempart covers an area of 147.6 km<sup>2</sup> (57.0 sqm).



With a population of some 108,000 (population density of 730/km<sup>2</sup>), the district is sub-divided into 19 Villages, as listed below, which are managed by their respective Village Councils and which are separate entities but draw their resources from the District Council.

S.N	VILLAGES	S.N	VILLAGES
1	AMAURY	11	PETIT RAFFRAY
2	AMITIE/GOKHoola	12	PITON
3	BELLE VUE MAUREL	13	PLAINE DES ROCHES
4	CAP MALHEUREUX	14	POUDRE D'OR HAMLET
5	COTTAGE	15	POUDRE D'OR VILLAGE
6	ESPERANCE TREBUCHET	16	RIVIERE DU REMPART
7	GOODLANDS	17	ROCHES NOIRES
8	GRAND BAIE	18	ROCHE TERRE
9	GRAND GAUBE	19	THE VALE
10	MAPOU		



As a corporate body, the District Council of Rivière du Rempart has contributed to the social and economic development of its administrative area. Construction of necessary infrastructure, provision of services/amenities, among which business facilitation through the processing and issue of relevant permits/licences, have helped the expansion of many luxury residences and also commercial sectors, in the villages of Piton, Grand Baie, Goodlands, Rivière du Rempart, among others. Popular commercial complexes and commercial cum residential complexes have emerged, among which Sunset Boulevard, Grand Baie La Croisette and Riverside.

One of the most important sectors which have known a progressive expansion is tourism and the Council's contribution to this sector has to be mentioned. With the government incentives to facilitate acquisition of residential property by non-citizens of Mauritius, there has been the development of tourism in general and luxury tourism. Grand Baie, Pereybere, Cap Malheureux, Grand Gaube have developed into prime tourist villages with many five star hotels and luxury residential complexes (IRS, RES, PDS).

There are some assets within the District, as listed below, which are on the list of national heritage of Mauritius:

- ❖ ***Monument commemorating the wreck of Le Saint G ran (located in Poudre D'Or Village)***
- ❖ ***Old Windmill (Petit Paquet Village)***
- ❖ ***Transit of the Planet Venus Pillar ( St Antoine)***
- ❖ ***Windmill Tower of Belle Rive (Cap Malheureux)***
- ❖ ***The Surviving Stone Structures of the Sugar Factory and Chimney of Antoinette Sugar Estate (Phooliyar)***
- ❖ ***La Cave Madame also known as Grande Cave de Roches Noires***

## **The village of Mapou**

The District Council's Administrative Headquarters, located in the village of Mapou, formerly accommodated the offices of the Pamplemousses/Rivière du Rempart District Council. Mapou is considered as the central point of these two districts put together.

In the 1940s, during colonial administration, the site had accommodated the office of the "*Commissaire civil nord*". Mapou had a glorious past being given that there had been in this village a very important railway station to serve the railway network in the northern part of Mauritius – the Northern Line.

In 1929, the judiciary office in Poudre D'Or was transferred to Mapou. The presence of this office contributed greatly in making this village a very lively place until the closure of the office a few years back.

Mapou had also been a major place for the sugar industry with the Domaine de Labourdonnais, presently a much visited place by locals and tourists.

Mapou draws its name from a local tree – the *Vitis Mappia* – which is commonly known as "*Mapou Tree*".



The "*Mapou Tree*" is endemic to Mauritius and had once grown abundantly in this village. Very rare now, some "*Mapou trees*" may be found in the village bearing its name and in old forests of the northern part of Mauritius (e.g Grand Baie)

**List of District Councillors in office during period July 2018 to June 2019**

DISTRICT COUNCILLOR	REPRESENTATIVE OF VILLAGE
<b>ELLAYAH Prembhoodas - Chairman D/C</b>	COTTAGE
<b>KOOBARAWA Deokumar - Vice Chairman</b>	GOODLANDS
<b>AHOTAR Geeanlall</b>	POUDRE D'OR HAMLET
<b>APPADU Ashish Rao</b>	RIVIERE DU REMPART
<b>ARJOON Bhooneshwarsing</b>	ROCHES NOIRES
<b>ASYRIGADOO Ramoortee</b>	AMITIE/GOKHoola
<b>SOHUN Roshan Kumar</b> <b>AWOOTAR Baboo Roopesh Kumarsingh</b>	ESPERANCE TREBUCHET
	(July 2018 to 10 June 2019) (As from 11 June 2019)
<b>BOYRAMBOLI Teeruthrajsingh</b>	RIVIERE DU REMPART
<b>BUGLOO Nizam</b>	The VALE
<b>CHRISTOPHE Joseph Jims</b>	CAP MALHEUREUX
<b>CHUCKUN Goorooduth</b>	PETIT RAFFRAY
<b>FANFAN James Jacques</b>	GRAND GAUBE
<b>FULLEE Somdath</b>	ROCHE TERRE
<b>GOORYE Basant</b>	GRAND BAIE
<b>KAHNYE Sama (Mrs)</b>	GOODLANDS
<b>MOGUN Dharmendra</b>	GRAND BAIE
<b>MOHES Bizlall</b>	MAPOU
<b>NEETHALIA Kaveetah</b>	AMAURY
<b>RAGNUTH Kevin Ragoonath</b>	PITON
<b>RAMDUTH Jasveer</b>	POUDRE D'OR VILLAGE
<b>RAMSURN Doopen</b>	PLAINES DES ROCHES
<b>SEETAH Niteen Bose</b>	BELLE VUE MAUREL
<b>SOHUN Roshan Kumar</b>	ESPERANCE TREBUCHET (Up to 31 May 2019)



**List of Members of Committees in office during period July 2018 to June 2019**

<b>Sn</b>	<b>Public Health Committee</b>
1	<b>ELLAYAH Prembhoodas (Chairman D/C)</b>
2	<b>KOOBARAWA Deokumar (Vice Chairman D/C)</b>
3	Mr J. Ramduth (Chairman of Committee)
4	Mr T. Boyramboli (Vice Chairman of Committee)
5	Mr A. R. Appadu
6	Mr B. Arjoon
7	Mr S. Fullee
8	Mrs S. Kanhye
9	Mr B. Mohes
10	Mrs K Neethalia
11	Mr D. Ramsurn

<b>Sn</b>	<b>Public Infrastructure Committee</b>
1	<b>Mr P. Ellayah (Chairman D/C)</b>
2	<b>Mr D. Koobarawa (Vice Chairman D/C)</b>
3	Mr B. Arjoon (Chairman of Committee)
4	Mr K Ragnuth (Vice Chairman of Committee)
5	Mr G. Ahotar
6	Mr A. R. Appadu
7	Mr R Asyrigadoo
8	Mr N Bugloo
9	Mr D. Mogun
10	Mr J. Ramduth
11	Mr D. Ramsurn

<b>Sn</b>	<b>Welfare Committee</b>
1	<b>Mr P. Ellayah</b> (Chairman D/C)
2	<b>Mr D. Koobarawa</b> (Vice Chairman D/C)
3	Mr A. R. Appadu (Chairman of Committee)
4	Mr J. Ramduth (Vice Chairman of Committee)
5	Mr G. Ahotar
6	Mr B. Arjoon
7	Mr R Asyrigadoo
8	Mr N Bugloo
9	Mrs K Neethalia
10	Mr K Ragnuth
11	Mr D. Ramsurn

<b>Sn</b>	<b>Permits and Business Monitoring Committee</b>
1	<b>Mr P. Ellayah</b> (Chairman D/C)
2	Mr A.R Appadu
3	Mr N. Bugloo
4	Mr J. Ramduth (Mr B. Arjoon – July 2018 to 18.01.19) (Mr K.R Ragnuth – 18.01.19 to 20.02.19) Mr S. Fullie (20.02.19 to 28.03.19) Mr J. Ramduth (28.03.19 to date)
5	Mr D. Ramsurn
6	Chief Executive
7	Head, Land Use and Planning Department
8	Chief Health Inspector
9	Head, Public Infrastructure Department
10	Civil Engineer/Ag. Head Public Infrastructure Department

<b>Sn</b>	<b>Executive Committee</b>
1	<b>Mr P. Ellayah</b> (Chairman D/C)
2	<b>Mr D. Koobarawa</b> (Vice Chairman D/C)
3	Mr Asyrigadoo R
4	Mr Bugloo N (up to 14.01.19) – Replaced by Mr J. Ramduth (as from 14.01.19)
5	Mr Fanfan J J
6	Mrs Neethalia K
7	Mr Ragnuth K



**LIST OF VILLAGE COUNCILLORS**

**The Village Council of Amaury**

	<b>MEMBERS</b>
1	SUBDAR Mohammad Musin <b>(Chairperson)</b>
2	RUGHOOBUR Ajay Kumar <b>(Vice Chairperson)</b>
3	NEETHALIA Kaveetah <b>(District Councillor)</b>
4	BAHADOOR Shayat
5	BUNDHUN Rajeewoo Kumar
6	KANHYE Lutchmeeduth
7	Humath Krishnanand
8	PENGWAH Hazrat Osman
9	RITOO Soobiraj (as from 17 June 2019)

**The Village Council of Amitie/Gokhoola**

	<b>MEMBERS</b>
1	CONHYE Uma Devi <b>(Chairperson)</b>
2	HYDER Ratan <b>(Vice Chairperson)</b>
3	ASYRIGADOO Ramoortee <b>(District Councillor)</b>
4	DOORGA Seenath
5	DOORGAH Sunilduth
6	JEEBUN Dharmaraj
7	POLOODOO Tyagarajah
8	SHAMLALL Kreshnaduth
9	THUMADOO Cadress

### **The Village Council of Belle Vue Maurel**

	<b>MEMBERS</b>
1	VEERANAH Prabhakar <b>(Chairperson)</b>
2	MUTTY Abhinash <b>(Vice Chairperson)</b>
3	SEETAH Niteen Bose <b>(District Councillor)</b>
4	BOYGAH Devinasingh (Mrs)
5	BISSESSUR Aswanvir
6	GUNGADIN Aarti (Mrs)
7	HOSANEE Reshad
8	SEETHIAH Sommanah
9	VURDAPEN Satiaven

### **The Village Council of Cap Malheureux**

	<b>MEMBERS</b>
1	NURSIMLOO Hegambaram <b>(Chairperson)</b>
2	MALEPA Marie Jenna Geraldine <b>(Vice-Chairperson)</b>
3	CHRISTOPHE Joseph Jims <b>(District Councillor)</b>
4	DAVID Louis Gervais Claudio
5	BUNDHOO Premduth
6	RAMACHUNDREN Vishnu
7	MOORUT Rajput
8	BAUKEER Nazeer
9	THAGALEE Bijaylall

### **The Village Council of Cottage**

	<b>MEMBERS</b>
1	MUNGUR Sunil Dutt ( <b>Chairperson</b> )
2	SABABADY Pillay Adarsh Varma ( <b>Vice Chairperson</b> )
3	ELLAYAH Prembhoodas ( <b>District Councillor</b> )
4	CHENGAPPA-NAIDU Anandasamy
5	JUMEEA Rajeev
6	KOMAR Iswaraj
7	MUNGUR Swattantranand
8	RAMKISSEN Iswarlall
9	MURUGUPPA Govinden

### **The Village Council of Esperance Trebuchet**

	<b>MEMBERS</b>
1	RANJAYA Ajay ( <b>Chairperson</b> )
2	BANCHARAM Sattiajeet ( <b>Vice Chairperson</b> )
3	SOHUN Roshan Kumar ( <b>District Councillor</b> ) – until 30.05.19
4	AWOOTAR Baboo Roopesh Kumarsingh ( <b>District Councillor</b> ) – as from 11.06.19)
5	GOUR Maudoo
6	MUNGROO Kavita (Mrs)
7	POONITH Soresh
8	POONITH Vishal
9	CHUMMUN Avinash Sharma

### **The Village Council of Goodlands**

	<b>MEMBERS</b>
1	ELLAPEN Soomeshwaree <b>(Chairperson)</b>
2	LAFRANCE Louis Andre <b>(Vice-Chairperson)</b>
3	KANHAYE Sama <b>(District Councillor)</b>
4	KOOBARAWA Deokumar <b>(District Councillor)</b>
5	DAMRI Rampersad
6	SALLICK Sunwantee
7	BAHADOOR Oodaye, MSK
8	POONITH Ramchurn
9	TORABALLY Sheik Bashir

### **The Village Council of Grand Baie**

	<b>MEMBERS</b>
1	Boojhawoonah Nasser <b>(Chairperson)</b>
2	Nujjoo Mohammad Ally <b>(vice-Chairperson)</b>
3	Goorye Basant <b>(District Councillor)</b>
4	Mogun Dharmendra <b>(District Councillor)</b>
5	Nujjoo Fahrad Hassam
6	Brasse Yves
7	Seburuth Ajaysingh
8	Mooruth Mokchada Ramdowar
9	Mudhoo Marie Liseby

### **The Village Council of Grand Gaube**

	<b>MEMBERS</b>
1	MARIE Marie Georgette Sylvaine <b>(Chairperson)</b>
2	DAVID Louis Pariche Even <b>(Vice-Chairperson)</b>
3	FANFAN James Jacques <b>(District Councillor)</b>
4	GUIRANDELLE Daniella
5	BOODHUN Bagmaneea
6	MARIE Curdy
7	RAMKISSOON Teerthraj
8	RATNA Michel
9	SUNNIA Lavinsingh

### **The Village Council of Mapou**

	<b>MEMBERS</b>
1	PROSPER Jean Mark Laval <b>(Chairperson)</b>
2	VEERARAGHOVEN Kovilan <b>(Vice Chairperson)</b>
3	MOHES Bizlall <b>(District Councillor)</b>
4	BANDOO Oumesh
5	BAULAH Sooriaduth
6	CATHERINE Marie Antoinette Melinda
7	CHOOLLUN Hurrychand
8	DORO Marie Therese
9	SAKALDEEP Aanjoo



### **The Village Council of Petit Raffray**

	<b>MEMBERS</b>
1	DOOKARUN Rani ( <b>Chairperson</b> )
2	BHOLAH Moonesh ( <b>Vice-Chairperson</b> )
3	CHUCKUN Goorooduth ( <b>District Councillor</b> )
4	GOBIND Sookraz
5	BEEHARRY Sattiajeet
6	HEERAH Sunil
7	JEEWOOTH Chandrakumar
8	SEENARAIN Gyaneswar
9	MUTTY Dipchand

### **The Village Council of Piton**

	<b>MEMBERS</b>
1	RAMKURRUN Ravi ( <b>Chairperson</b> )
2	SALLICK Suttiawun ( <b>Vice Chairperson</b> )
3	RAGNUTH Kevin Ragoonath ( <b>District Councillor</b> )
4	NAIKEN Suchita(Mrs)
5	BANDOO Sanjiv
6	OTHENDEE Magalutchmee (Mrs)
7	SHAMLAUL Oodesh
8	DOWLUT Cassamjee
9	NOBAB Ajay

### **The Village Council of Plaines des Roches**

	<b>MEMBERS</b>
1	SOOKNAH Bijay ( <b>Chairperson</b> ) – upto 18.12.18
2	SHIBCHURN Tarkessowar ( <b>Chairperson</b> ) – as from 26.12.18
3	BACHOO Priamvada ( <b>Vice Chairperson</b> ) – upto 18.12.18
4	BANCHARAM Kaviraj ( <b>Vice-Chairperson</b> ) as from 26.12.18
5	RAMSURN Doopen ( <b>District Councillor</b> )
6	RAMCHURN Narendra Sharma
7	SAUHOBBOO Noorannee
8	MEEAJUN Taleyboodeen

### **The Village Council of Poudre D’or Hamlet**

	<b>MEMBERS</b>
1	SOHATEE Praveen ( <b>Chairperson</b> )
2	RUGHOO Indradeo ( <b>Vice Chairperson</b> )
3	AHOTAR Geeanlall ( <b>District Councillor</b> )
4	RAMTOHUL Gaytree
5	JHAURRY Nundraj
6	BALLIAH Rahnee
7	APPADOO Vishnoo
8	RAMPARE Sadhna
9	BEEHARRY Ravindranathsing

### **The Village Council of Poudre D'or**

	<b>MEMBERS</b>
1	BEERBUL Deenoo <b>(Chairperson)</b>
2	DOYAL Kalowtee <b>( Vice Chairperson)</b>
3	RAMDUTH Jasveer <b>(District Councillor)</b>
4	NUNKOO Radha
5	MOODOOSOODUN Jayshree
6	BOYJOONAUTH Pravinduth -
7	PEEROO Navin
8	NOBIN Khemraj
9	BHANTOOA Lutchmee Devi

### **The Village Council of Rivière du Rempart**

	<b>MEMBERS</b>
1	GONOWREE Vikash <b>(Chairperson)</b>
2	KHANDHAI Deoduth <b>(Vice Chairperson)</b>
3	APPADU Ashish Rao <b>(District Councillor)</b>
4	BOYRAMBOLI Teeruthrajsingh <b>(District Councillor)</b>
5	BHOGUN Leckraj Vinay
6	GOBIN Dhanjaysing
7	JAITOO Sati Savitree (Mrs)
8	RAMNARAIN BHOGUN Vanesha (Mrs)
9	MANGATHA Dharmanand – Passed away on 03.06.19

### **The Village Council of Roches Noires**

	<b>MEMBERS</b>
1	Aukhajan Koosmowtee <b>(Chairperson)</b>
2	Santuck Prithiviraj <b>(vice-Chairperson)</b>
3	Bhooneshwarsing Arjoon <b>(District Councillor)</b>
4	Sookeera Ajay
5	Fokeera Beesamsing
6	BIJMOHUN Leckhraj
7	Lall Gita
8	Sunyasi Latchanah
9	Yarrod Twaleboodeen Khan
10	Preetyveeraz SEETHANNA

### **The Village Council of Roche Terre**

	<b>MEMBERS</b>
1	BOUDEUSE Louis John <b>(Chairperson)</b>
2	GREEDARY Hoomesh Kumar <b>(Vice-Chairperson)</b>
3	FULLEE Somdath <b>(District Councillor)</b>
4	BOODHOO Jaynarain
5	BOOJHAWON Kavita
6	BUCHA Sarita Devi
7	DOOKHIT Kajal
8	Daby Beedeeanand
9	VIRAPIN Goinsamy

### **The Village Council of Vale**

	<b>MEMBERS</b>
1	Damree Alladeen <b>(Chairperson)</b>
2	MURTHEN Danonvedee (Mrs) <b>(Vice Chairperson)</b>
3	BUGLOO Nizam <b>(District Councillor)</b>
4	BHUGWON Kiran (Mrs)
5	BUKUS Amjad
6	GENGADU Satishraj
7	MODARBACCUS Bahim
8	SEETHAMAH Faizal
9	SOOBEDAR-KAUDEER Samirah (Mrs)

## **ADMINISTRATIVE TEAM**

### **For Period July 2018 to June 2019**

<b>Administration Department</b>	
The Chief Executive	Mr Dheeraj GOPAUL
Deputy Chief Executive	Miss Laneetee MOHEEPUT
Assistant Chief Executive	Mr Thigupta SOOKUN Mrs Ashweenta AUMEER-BABOOA up to 06.02.2019 Mr Sunjeev UBHEE as from 25.03.2019
Local Disaster Management Coordinator	Mr Vipin HEERAH
Human Resource Management Officer	Mrs Anita CHUMROO
IT Officer/Systems Administrator	Mr Irfaan HUSSEIN BHUGALOO
Safety & Health Officer /Senior Safety & Health Officer	Mrs Vidya KARUPUDAYYAN
Human Resource Officer	Miss Luxmi Devi KUREEMUN
<b>Finance Department</b>	
Financial Controller	Mr Randipsingh BULDEWO
Principal Accountant	Mr Deepack RAMSURUN as from 29.04.2019
<b>Public Infrastructure Department</b>	
Head, Public Infrastructure Department	Mr Sobhanand Jeetun up to 07.04.2019
Civil Engineer	Mr Tarachand JUGGOO
Chief Inspector of Works	Mr. Rajkumar DEENOO
<b>Land Use &amp; Planning Department</b>	
Head, Land Use And Planning Department	Mr Yassim HOSENALLY
Planning and Development Officer	Mrs Dayawantee SIBURUTH
<b>Public Health Department</b>	
Chief Health Inspector	Mr Navindranath LANGUR
Principal Health Inspector	Mr Ravichand MADHUB
<b>Welfare Department</b>	
Senior Welfare Officer	Mrs Sonia Devi PADAYACHY- COOPAMAH



## **ROLES & FUNCTIONS OF COMMITTEES**

The Local Government Act 2011 provides for the District of Rivière du Rempart to be administered by an elected District Council.

For period July 2018 to June 2019, the Council had held its meeting at least every month, as required by law. Council met on **12** occasions for ordinary meetings.

The following other statutory committees were set up, as stipulated by law, and meetings thereof were held.

These committees are as follows:

- [Executive Committee](#)
- [Procurement Committee](#)
- [Permits and Business Monitoring Committee](#)
- [Safety and Health Committee](#)

### **• Executive Committee**

The Executive Committee is constituted of:

- the Chairman
- the Vice Chairman
- 5 other Council Members, appointed by the Chairman

The Executive Committee, chaired by the District Council's Chairperson, had the responsibility for approval of procurement of goods and services above Rs100,000.

The Executive Committee met for **18 sittings** from July 2018 to June 2019.

### **• Procurement Committee**

Procurement of goods and services was effected by the Council in accordance with provisions of the Public Procurement Act.

The Procurement Committee determines all issues pertaining to the procurement of goods and services and, as required by law, is constituted of:

- The Chief Executive or the Deputy Chief Executive as the Chairperson of the Committee
- The Financial Controller or his Deputy
- One other Head of Department

Where the total value of the procurement exceeds Rs 100, 000, the Procurement Committee sends its recommendation to the Executive Committee for approval.

The Procurement Committee met for **59 sittings** from July 2018 to June 2019.

- **Permits and Business Monitoring Committee (PBMC)**

With amendments brought to the Local Government Act 2011 in September 2016, the membership of the PBMC was constituted anew as prescribed by law:

- Chairperson of the Council (in the Chair)
- Four Council members appointed by the Chairperson of the District Council
- Chief Executive
- Head, Land Use and Planning Department
- Chief Health Inspector and
- Head, Public Infrastructure Department

The Chief Executive and the Heads of Department, in their absence, were represented by an officer formally delegated to represent them.

The Permits and Business Monitoring Committee met for **52** sittings from July 2018 to June 2019.

- **Safety and Health Committee**

The Safety and Health Committees are held during normal working hours at least once every 2 months in accordance with Section 21 of the Occupational Safety and Health Act, 2005.

For the year 2018/2019, the Safety and Health Committee met on **6** occasions.

- **Other Committees**

The Council is empowered by the Local Government Act 2011 to set up working committees with a view to monitor the smooth running of matters pertaining to its different departments.

The Council had thus set up these Committees as follows:

1. Welfare Committee
2. Public Health Committee
3. Public Infrastructure Committee

As these committees do not have delegated powers, their recommendations were submitted to the Council for approval.

From July 2018 to June 2019, the above three committees had a membership of **eleven** councillors.

- **Welfare Committee**

**Submitted recommendations regarding the following issues:**

- a. Public libraries, technical courses, pre-primary schools, sewing and handicraft classes
- b. Maintenance of sport infrastructures, equipment, gardens and public places.
- c. Organization of sports, social, cultural and welfare activities as well as national competitions.
- d. Any other matter pertaining to the Welfare Department.

The Welfare Committee had **10** meetings during the mentioned period.

- **Public Health Committee**

**Submitted recommendations regarding the following issues:**

- (i) Scavenging programme for the District Council area; identification of dumping grounds; cleaning of barelands; labour/equipment required for services to be provided by the department.
- (ii) Upkeep of cemeteries and cremation grounds
- (iii) Management of markets, fairs, hawkers, public toilets and places of public entertainment;
- (iv) Any other matter pertaining to the Public Health Department.

The Public Health Committee had **10** meetings during the mentioned period.

- **Public Infrastructure Committee**

**Submitted recommendations regarding the following issues:**

- (a) General maintenance programme - buildings, kiosks, bus-shelters, roads, bridges, drains, street and village name plates, benches etc.
- (b) Programme of maintenance of plants and equipments - vehicles.
- (c) Provision and maintenance of street lighting.
- (d) Provision and maintenance of public fountains, septic tank, absorption pits etc.
- (e) Implementation of infrastructural projects.
- (f) Any other matter concerning Public Infrastructure Department.

The Public Infrastructure Committee had **10** meetings during the mentioned period.

## **REMUNERATION/ ALLOWANCES OF COUNCILLORS**

SN	FUNCTION	MONTHLY REMUNERATION (INCLUDING COMPENSATION)	MONTHLY CELLULAR ALLOWANCE	MONTHLY TRANSPORT MILEAGE
1	Chairperson of District Council	Rs 40,460	Rs 2,000	Rs 10.30 per km
2	Vice-Chairperson of District Council	Rs 22,360	Rs 1,500	
3	District Councillor	Rs 12,930	Rs 500	
4	Member of Executive Committee	Rs 15,010	Rs 1,000	
5	Permits and Business Monitoring Committee: Chairperson Member	Rs 1,995 per sitting Rs 890 per sitting		
6	Chairperson of Village Council	Rs 12,930		
7	Vice-Chairperson of Village Council	Rs 6,809		
8	Village Councillor	Rs 2,962		

## **CORPORATE GOVERNANCE**

In 2018/2019, as for previous financial years, the Council had to function in line with the core principles of corporate governance that is

- *responsibility*
- *accountability*
- *fairness*
- *transparency*

Relevant procedures were followed, namely:

- requests, works, projects referred to Council for examination and decisions.
- decisions of the Council in conformity with appropriate legislations.
- funds allocated in line with provisions of the performance based budget.
- internal audit control for implementation of Council's decisions.
- ex-post control for Building and Land Use Permits issued by Council and regular checks to ensure enforcement of existing laws for development works.

In virtue of the legal provision and for the sake of transparency, all the meetings of the Council were held in public during the above mentioned period. Press representatives were also invited to these meetings. The provisions of the Local Government Act were strictly adhered to with regards to procedures for Council's meetings. Notices of all the meetings of the Council were affixed in a conspicuous place, at the seat of the District Council Administrative Office, at least two days before the meeting.

Regarding the observance of good practices, it is to be noted that the Independent Commission Against Corruption (ICAC) had initiated, in 2017, an exercise of follow-up on **Corruption Prevention Review on Procurement of Goods and Services**.

Following the submission of the first follow up report in August 2017, ICAC had continued with the exercise and a second Follow-up Report was submitted on 14 June 2018. The report mentioned that 85% of the recommendations made in the first report had been implemented or were in the process of being implemented. The recommendations were:

- *Introduction of e-procurement system*
- *development of a Corporate Code of Conduct*
- *proper classification of stock items for effective reconciliation of stock records with physical stock*
- *conduct of surprise checks by Financial Controller/Management for store management*
- *introduction of a Customer Charter*
- *introduction of an Interests Register*

ICAC had also conducted a **Corruption Prevention Review-Contract Management**. The final CPR report was submitted on 1<sup>st</sup> August 2018 and the Council had to implement its recommendations.

In 2018/2019, the District Council continued with the implementation of the recommendations contained in the reports of the exercises mentioned above which aim at reinforcing integrity in the administrative system, at all levels, and eliminating opportunities/perceptions of malpractices and corrupt practices.



## **TRENDS & CHALLENGES**

Government's Budget for 2018/2019 focused on the theme "*Pursuing our transformative Journey*". This was the trend for Central Government which local authorities had to follow at local level.

The trend was to focus mainly on continuous provision of/improvement to infrastructure, innovative ideas, ways and means for sustainable development and uplifting of quality of life, in line with the Sustainable Development Goals adopted by all United Nations Member States in 2015 to achieve by 2030.

Focusing on trends brings along challenges as well. The District Council, as a local authority, had to consider also the three year strategic plan with emphasis on continually improving core services, building new infrastructure, improving existing infrastructure and providing amenities for present and future needs. The challenges came from the need of how best to plan the Council's strategy for quality services and meeting the inhabitants' expectations with only the resources which were available.

Resources, that is finance, workforce, vehicles/equipment, always represent a very serious challenge when an organization has to deliver essential services and these resources are not sufficient.

For 2018/2019, the Council benefitted from a grant of Rs 260,565,630 from Government to add up to its own revenue. Provision for recurrent expenses in the budget does not allow for implementation of many projects. This is the usual trend and challenge in every financial year. However, with the allocation of funds by Government under the Local Development Projects Scheme and the support of the National Development Unit, the Council had been able to prioritise projects and implementation of projects had been possible. These projects were related mainly to construction/reconstruction of roads and drains, provision/improvement to street lighting, social amenities.

The impact of climate change has fast become a reality and the Council has to face its consequences and challenges. The flooding, in December 2018, of some villages, mainly Cottage and Piton, was a very difficult situation with which the Council had to cope. Repairs to road infrastructure and cleaning of drains had to be done within a short space of time. However the Council took up this challenge with the support of Central Government through the Emergency Flood Rehabilitation Programme.

In anticipation of heavy rains during the 2018/2019 summer period, the Council had prioritized maintenance of road infrastructure and cleaning of drains/absorption drains.

Another major challenge which emerged during 2018/2019: *enforcing law against proliferation of illegal construction and improving control of development works*. With the amendments to the Local Government Act on 17 July 2018 and consequential amendments to other enactments, the Council had to reorganize its resources to ensure the observance of enforcement provisions, that is more regular checks and service of Compliance Notice, Enforcement Notice and Pulling Down Notice.

The biggest challenge for 2018/2019 and this will be the trend which has to be anticipated in the future: *expectations and exigencies of the public which keep on evolving and for which the Council will have to be prepared*.

***Operational***

***&***

***Service Delivery***

***Plan***

## **OPERATIONAL & SERVICE DELIVERY PLAN**

The following departments set up by the Council were in operation to “*perform and discharge the functions and exercise the powers under the Local Government Act and any other enactment relating to local authorities*” :

- **the Administration Department**
- **the Welfare Department**
- **the Land Use and Planning Department**
- **the Public Infrastructure Department**
- **the Public Health Department**
- **the Finance Department**

The 19 Village Councils also had administered their respective villages and organised activities as and when required.

For proper planning, organising, control, monitoring and communication of activities, both the District Council and the Village Councils had to operate within the budgetary provision made for 2018/2019.

# **THE ADMINISTRATION**

➤ ***Central Registry***

➤ ***Human Resource Section***

➤ ***Procurement Section***

➤ ***IT Section***

➤ ***Internal Audit Section***

➤ ***Library Service***

➤ ***Occupational Health and Safety Section***

➤ ***Local Disaster & Management Unit***

➤ ***Complaint Management***



## **THE ADMINISTRATION DEPARTMENT**

This department is the focal point, the backbone of the institution which the District Council represents. It has to ensure that the whole institution functions effectively and that the principles of good governance are being observed.

Providing assistance to the Council for the implementation of its policies and execution of its projects, the Administration Department makes certain that all other departments are performing their operations as stipulated in law.

For efficient organizational development and service delivery, there are some key sectors functioning under the department, namely Central Registry, Human Resource Section, Procurement Section, IT Section, Internal Audit Section, Library Service, Occupational Health and Safety Section, Local Disaster & Management Unit and Complaint Management.

### **Central Registry**

The process of restructuring the Central Registry started in January 2018 and continued in 2018/2019 with the following:

- ❖ Restyling the system of referencing for incoming/outgoing correspondence and also the filing system.
- ❖ Creation of database for
  - New files
  - Legal cases
  - Meetings/workshops etc.
  - Updating files with relevant correspondence and committee decision

Since then, official records are processed and maintained coherently by the Central Registry with a dedicated team comprising one Office Management Assistant, three Clerical Officers, two Word Processing Operators and a Youth Employment Programme Trainee.

The main duties are as follows:

- ❖ Registration of incoming and outgoing mails
- ❖ File classification
- ❖ File indexing
- ❖ File storage
- ❖ File distribution
- ❖ Tracking file use
- ❖ Closing file
- ❖ Studying user needs
- ❖ Franking of letters
- ❖ Follow up of letters

Some figures for the activities of the Central Registry for year 2018/2019 are found below:

Details	Approx. (No.)
Incoming Correspondence	9,500
Outgoing Correspondence	415
Existing files	400
New files created	30
No. of letters franked	13,149

## Human Resource Section

This section has the responsibility of managing the work force of the Council which was constituted of 99 staff members and 276 manual workers from July 2018 to June 2019.

Department	Adminis tration	Finance	Public Infrastructure	Land Use & Planning	Public Health	Welfare	Part time Workers	Total
Recruitment	12	2	6	11	10		1	42
Appointment	1		2		2			5
Promotion		1						1
Retirement	2		2		2			6
Dismissal					1			1

## Procurement Section

The procurement process and methods is an essential exercise which all public bodies have to go through for the purpose of good governance, transparency, accountability, fairness and value for money.

As for previous years, in 2018/2019, the District Council had therefore conducted its procurement activities for goods/services in line with the provisions of the Public Procurement Act 2006 and the Public Procurement (Amendment) Act 2008.

Procurement activities in 2018/2019 consisted of the invitation for bids through the following methods:

	No.
• Request for sealed quotations	- Forty Seven (works/goods/services)
• Request for proposals	- Four (services)
• Open Advertised Bidding (OAB)	- Five (works)
• Quotations for low value items (Rs500,000)	- Goods – 1170 (Rs1.3m) services 1955
• Direct procurement	- Thirty Seven (goods/works)
• Emergency procurement	- One – Excavation works at Cottage. Works carried out in connection with flooding due to heavy rainfall in December 2018.

In 2018/2019, the Council had at its disposal a list of 400 potential suppliers/service providers.

<b><i>SN</i></b>	<b><i>PROJECT</i></b>	<b><i>CONTRACT VALUE (Rs)</i></b>
1.	Construction and Tarring of Roads	Rate Basis
2.	Construction of New Market/Fair and Traffic Centre at Goodlands	Procurement Procedures started November 2018
3.	Construction of Drain Off Nanka Rd, Riviere du Rempart	1,064,000.00
4.	Purchase of Plastic Chairs	Rate Basis
5.	Rendering & Ass. Works at District Council New Archive Building	610,000.00
6.	Supply & Fixing of Handrails	Rate Basis
7.	Supply & Fixing of Poles for Street Light Network	Rate Basis
8.	Supply of LED Photovoltaic Lantern	Rate Basis
9.	Supply & Fixing of Gate at Grand Bay Village Hall	75,000.00
10.	Supply & Fixing of Workstation (Planning Dept)	79,775.00
11.	Upgrading of IT Network at DC Premises	289,150.00
12.	Painting Works at Roches Noires Day Care Centre	67,600.00
13.	Supply & Installation of Rain Water Harvesting System	488,175.00
14.	Construction of Blockwall at Cottage	Rate Basis
15.	Rain Water Harvesting	488,175

## **IT Section**

The IT Section is responsible for the computer and Software/System of the Council. It also provides training and access to system to the users of the Council. It works on new technologies to be implemented in the Local Authorities such as Online Building & Land Permit, Local Rates and Trade Fees payments. It manages good IT practices and policies to enhance level and quality of integrated service delivery to the public at large.

With the computerization of all activities, the IT Section has to cater for matters pertaining to the introduction, development, deployment, maintenance and upgrading of Information Technology Infrastructures and is also called upon to play a vital role in advising the Council on the latest developments in the field.

Furthermore the National E-Licensing system has been introduced in April 2019 at the District Council to offer fast, effective and efficient service delivery to the public and business community at large. In order to cater for the National E-Licensing system, IT equipment such as PCs, laptops and heavy duty scanner/printers have been purchased.

Due to the increase in number of IT users, the network infrastructure has been upgraded during the month of June 2019. In addition, the Council has implemented security policies to ensure that data is safeguarded within its premises including access rights granted only to authorize personnel, password expiry and complexity policy implemented and backup of digital information.

## **Internal Audit Section**

The Internal Audit Section at The District Council of Rivière du Rempart is under the responsibility of the Chief Executive Department and headed by a Principal Internal Control Officer and assisted by an Internal Control Officer / Senior Internal Control Officer. This section is a vital element of good governance and sound financial management of the council activities, ensure that appropriate procedures, practices are operating efficiently to achieve the objectives set, with a view of preventing fraud, malpractice, extravagance and waste.

During the financial year **2018/2019**, the duties pertaining to this Section were allocated to Audit Staff in order to meet the council's aims, objectives and targets. Despite the limited resources available in terms of staffing, it is worth mentioning that the overall objectives of this Section were achieved in the most efficient and effective manner.

### **Audit Work completed for the Financial Year 2018/2019.**

- ♣ Cash and cheque collection/deposit to bank.
- ♣ Examinations of all payment vouchers for both District and Village Councils.
- ♣ Verification of overtime/allowances/bus fare/deductions.
- ♣ Mileage allowance claimed by field officers.
- ♣ Monthly Payroll Transaction Lists.
- ♣ End of year bonus.
- ♣ End of year inventory.
- ♣ Fees for burials/cremation.
- ♣ Computation of passage benefit.
- ♣ Computation of pension and death gratuity.
- ♣ Computation of car loan.
- ♣ Computation of bank sick leave/uniform allowance
- ♣ Assignment of duties.
- ♣ New appointment/transfer/resignations.
- ♣ Site visits on capital projects and physical check on a spot check on material assets purchased.
- ♣ Carry out investigations and report to Chief Executive on discrepancies.

## **Library Services**

The Abraham Lincoln Public Library was set up in 1955 to provide services & facilities to satisfy the information needs of its various categories of users.

### **SERVICES:**

- Loans (issues, return, renewals & reservations of books and magazines)
- Junior Section
- Reference Section
- On spot Consultation
- Reading Room (Local Newspapers)
- Free Internet Services

### **Some achievements of the Council's Library in 2018-2019:**

- 1) A new Subscriber's Card with colourful logo of the Council was issued to the library users.
- 2) The Library's collection increased to 15,000 items for children, teenagers & adult including books, magazines and periodicals.
- 3) Some 250 new exciting books including bestsellers were displayed before being released. Latest magazines issues were put on shelves on a fortnightly basis.
- 4) There was also an increase in the number of new subscribers.



## **Occupational Health and Safety Section**

### **1.0 Introduction**

The District Council of Rivière Du Rempart is an organisation which has effective policies, procedures and a safety management system in place to ensure the continued health, safety, welfare and development of its staff.

In 2018, the Council reviewed the internal plan for internal health and safety, including the outlines of the safety management system and the intended progress for the coming years.

This annual report details what has been accomplished in terms of responsibilities assigned in the field of health and safety management system.

### **2.0 Policy**

The aim of the Council is to set and maintain sensible and proportionate standards of health and safety management to ensure the wellbeing of the staff and others who may be affected by its activities, and to minimise the losses including financial, time, resources as well as reputational losses, which the Council might incur from ill health and injury. This aim has been achieved for the concerned period.

### **3.0 Organisation**

The Safety and Health Officer oversees the overall direction of health and safety, and performance is improved through monitoring progress with the annual plan on a monthly basis and advice from the Safety and Health Committee.

### **4.0 Safety and Health Committee**

The Safety and Health Committee is the principal consultation forum. The committee has met every alternate month, or 6 times for the period 2018/2019 and was chaired by a senior representative of Management. Membership consisted of at least an equal number of Management and Trade Union representatives, and the Health and Safety Officer, as per Section 21 of the Occupational Safety and Health Act, 2005.

Any changes to policies, plans or decisions affecting staff health and safety were discussed by the committee, opened up for internal consultation, as appropriate and finally agreed by members prior to implementation.

These committees implemented the annual health and safety plan and provided staff with the opportunity to discuss and resolve health and safety concerns.

## **5.0 Training**

Health and safety training was provided to staff on a needs basis. For the FY 2018/2019, the following trainings were conducted as part of preventive approach to Health and Safety management system:

### **1. Training in operation of a Compactor Lorry**



Date	03 <sup>rd</sup> July, 2018
Target Group	Handy Workers, mechanics, workshop supervisor, drivers
Facilitator	Mr S. Rose, Instructor at ABC Motors Co. Ltd

### **2. Risk Assessment at the place of work.**



Date	06 <sup>th</sup> Sept, 2018
Target Group	Field Supervisors, Health Inspectors, Work Inspectors, Workshop Supervisor, DCRR Staff.
Facilitator	Mrs Poinen–Sohorye, Ministry of Labour, Industrial Relations, Employment and Training

### **3. Erection and Dismantling of Scaffolding.**



Date	18 <sup>th</sup> Sept, 2018 (Theory Session)
Target Group	Masons, Foremen, Painters, Welders, Employees working at height
Facilitator	Mr C. Bungsee in collaboration with Sir Kher Jagatsingh Training Centre, MITD





Date	25 <sup>th</sup> Sept, 2018 (Practical Session)
Target Group	Masons, Foremen, Painters, Welders, Employees working at height
Facilitator	Mr C. Bungsee in collaboration with Sir KherJagatsingh Training Centre, MITD



***Remittance of the MQA Approved Certificate at the District Council of Rivière Du Rempart.***

**4. Fire Fighting and Safety Awareness to Fire Wardens.**



Date	July 2018
Target Group	All Fire Wardens
Facilitator	Mr B Oaris - BRFM Co. Ltd

## **6.0 Monitoring Performance**

In addition to seeking evidence from the Safety and Health Committee to demonstrate implementation of the actions, staff are encouraged to report all incidents regardless of the severity of the resulting injury. Grievance form was made available to all departments in this regard.

The reporting culture was intended to allow for a larger number of incidents, however minor and including near misses, to be analysed to identify any potential trends or patterns to identify ways to mitigate risks to the health and safety of our staff on or off the DCRR premises.

## **7.0 Injury reports**

During 2018/19, 5 incidents were reported, none of which required notification to the Ministry of Labour, Human Resource Development and Training as per Section 85 of the OSHA, 2005. All of the incidents reported were minor in nature and resulted in injuries such as bruising, grazes, temporary discomfort, soft tissue injury and cuts.

The number of minor injuries has fallen, as well as the number of man days loss in comparison with previous year.

**Table 1 shows the total number of accidents, incidents and ill health reports over a two-year period**

Incident category / Report year	2017/2018	2018/19
Reportable accidents	0	0
Minor accidents	8	5
Reportable incidents	0	0
Reportable ill health	0	0
Man Days Loss	58	12

## **8.0 Leading indicators**

Leading indicators are used to assess elements of our safety management system which, in line with previous years we have continued to use to monitor the effective implementation of our priority health and safety policies.



## 9.0 Promoting Health Awareness at work

### 1. Caravane de Santé for NCD Screening



Date	22 <sup>nd</sup> , 23 <sup>rd</sup> & 24 <sup>th</sup> April, 2019
Target Group	All DCRR Staff
Facilitator	Ministry of Health & Quality of Life – SSRN Hospital

## **2.0 Vaccination against measles**



Date	07 <sup>th</sup> March, 2019
Target Group	All DCRR Staff
Facilitator	Ministry of Health & Quality of Life – SSRN Hospital

### **3. Recall doses for vaccination against Hepatitis B.**

This is carried out as required, upon recruitment of the concerned grades.



## **10.0 Other activities**

1. Noise Assessment Survey in workshops, conducted on 03<sup>rd</sup> October, 2018.



2. Fire Drill conducted on 14<sup>th</sup> Dec, 2018.



### **11.0 Performance summary**

The majority of planned milestones has been delivered in improving health and safety performance across the Council for the Year 2018/2019. There was a strong emphasis on working with others to provide an effective management and control of risk and reduce the likelihood of low frequency, high-impact incidents. The activities this year have included the following highlights:

- Using an approach to interventions targeted at communications, training, information and proactive inspection.
- Taking appropriate enforcement action to reduce risk in around the workplaces inspected and undertaking investigations when incidents occur.
- Lead and engage with others to improve workplace health and safety.
- Provide guidance and advice that meets the needs of users and encourages proportionate risk management.

### **12.0 Conclusion**

The District Council of Rivière du Rempart attaches great importance to ensuring the continued health, safety, welfare and development of its workforce and to minimise the distress and disruption caused by any injuries or work related illnesses which may occur.

The Council continually addresses key themes for development to build on its positive health and safety culture. For the period 2018/2019 the Council has achieved good results against many of its performance measures.

A special mention to those staff that undertake essential roles as first aiders, fire fighters amongst others for playing a vital part in the management of health and safety across the Council.

## Local Disaster Management Unit

The issues of the impact of climate change are social, political, environmental and economical.

Considering the consequences of climate change, local authorities in particular are therefore among the main stakeholders to initiate climate change actions. AGENDA 21 had described local government as “*the level of government closest to the people*” with a “*key role to play in making sustainable development happen.*” Local authorities therefore have to assume full responsibility and review/reshape development strategies and policies as well as create public awareness about climate change and sustainable development issues within their respective administrative areas.

In virtue of the National Disaster Risk Reduction and Management Act 2016 and the National Disasters Scheme, each local authority has to set up a Local Disaster Risk Reduction and Management Committee, chaired by the Mayor for City/Town Council or the Chairperson of the District Council. The above mentioned committee has the responsibility of coordinating all activities related to disaster risk reduction and management, the officer responsible for monitoring these activities being the Local Disaster Management Coordinator.

Local authorities, have the responsibility of organizing every year simulation exercises in their respective administrative areas for each of the following disasters: Tsunami/High Waves, Torrential Rain and Landslide.

As per the provisions of law, the District Council of Rivière du Rempart has constituted the Local Disaster Risk Reduction and Management Committee which is chaired by the Chairperson of the District Council. The mission of the LDRPMC is making a disaster resilient society within the district of Rivière du Rempart by developing and promoting a culture of prevention and preparedness at all levels.

With the support of the National Disaster Risk Reduction and Management Centre (NDRPMC), the Local Disaster Risk Reduction & Management Committee (LDRPMC) at the level of the District Council was engaged, in 2018/2019, in disaster management activities in order to mitigate and respond to the identified threats of natural disasters.

**(i) Activation of LEOC (Local Emergency Operation Command) during crisis situations.**

As indicated hereunder, the LEOC was activated for the purpose of coordinating all disaster management activities with the assistance of the first responders (Police, Mauritius Fire and Rescue Services, National Coast Guard, Special Mobile Force) : -

Date	Activities
27 November 2018	Heavy Rainfall
21 December 2018	Cyclone Cilida
08 February 2019	Cyclone Gelena
09 April 2019	Heavy Rainfall

**(ii) Community Disaster Response Programme (CDRP)**

On the 12, 13 and 14 June 2019, twenty-five (25) volunteers of Cottage were trained and empowered in *fire safety, basic rope handling, First aid, water rescue activities, tent pitching /camp management, and other basic techniques* applied in emergency situations. This training has provided the volunteers with the elementary knowledge of response skills on the basis of self-help and mutual help.



(fire safety)



(Rope Handling)



(sand bagging)



(handling of casualty on strecher)



(life saving at sea)

**(iii) Drill, Table top and Simulation Exercise**

Two simulation exercises were planned, prepared and conducted at the level of the District Council, under the aegis of the NDRRMC, in order to enhance effective preparedness of agencies and the local community against natural as well as man-induced disasters such as flooding, tsunami, landslide and others:

Date	Event
Friday 14 June 2019	Flood Simulation Exercise (Cottage)
Friday 04 October 2019	Table Top Simulation Exercise (Flood) at Pereybere

**(iv) Contingency Plan**

One of the main priorities for the Council's LDRRMC is preparedness for specific disasters. A contingency plan for the village of Cottage was prepared by the NDRRMC with the collaboration with the District Council following the heavy rainfall of December 2018.

**(v) Sensitization Campaign**

People of different age groups were given first-hand knowledge about precautionary measures to be taken *before, during and after* the event of a hazard/disaster with a view to make them aware of the dangers occurring from the different types of disasters in Mauritius.



## **Complaints Management**

As institutions dealing with the public, local authorities have also to deal with their complaints.

Complaints from inhabitants of the District of Rivière du Rempart are received at the level of the District Council and the Village Councils as well as through the Citizen Support Unit Portal. The highest number of complaints are submitted through the Citizen Support Unit.

For 2018/2019, 557 complaints were addressed to the Council through the Citizen Support Unit Portal.

Most of these complaints were related to

- |   |       |
|---|-------|
| ➤ illegal construction                                | - 87  |
| ➤ construction of drains                              | - 26  |
| ➤ street lighting facilities/Request for new lanterns | - 275 |
| ➤ collection of wastes                                | - 51  |
| ➤ cleaning of barelands                               | - 70  |
| ➤ resurfacing of roads                                | - 48  |

The Council attended to 329 tickets out of 557.

## **THE WELFARE DEPARTMENT**

The Welfare Department provides services to the citizens in the field of education, culture, sports and leisure and therefore caters for the holistic wellbeing of the citizen.

The facilities offered to the public are;

- Provision / organisation of sports, social and cultural activities.
- Promotion of sports in collaboration with local sports teams/ clubs/ NGOs.
- Provision of free pre-primary education.
- Enhance literacy by organising quiz and painting completions.
- Upgrading and do maintenance to playgrounds; football grounds, children playgrounds, green spaces, petanque courts, volleyball pitches, etc.
- Provide free use of insfrastructures with light facilities; football grounds, children recreation parks, petanque courts and volleyball pitches.
- Lease of Multipurpose Halls

The activities held during the year were as follows:

SN	Financial Year	Date	Event
1	2018/2019	Jul-18	Twinning Lunch at Azuri
2	2018/2019		Twinning Lunch at Hong Kong Palace
3	2018/2019		Beverages for Dinner at Intercontinental Hotel
4	2018/2019		Twinning Ceremony
5	2018/2019		Ceremony for Laureates
6	2018/2019	08-Sep-18	Opening of Intervillage Football Tournament
7	2018/2019	16-Sep-18	Eid Gathering Vale
8	2018/2019	07-Nov-18	Divali at Cottage
9	2018/2019	17-Nov-18	Bal Rann Zarico
10	2018/2019	06-Dec-18	Inauguration of Petit Raffray Multipurpose Hall
	2018/2019		Inauguration of Petit Raffray Multipurpose Hall
11	2018/2019	09-Dec-18	Final Match of Intervillage Football Tournament
12	2018/2019	29-Dec-18	End of Year Party Chairman's Function
13	2018/2019	03-Mar-19	Distribution of Food on eve of Maha Shivaratree
14	2018/2019	15-May-19	Quiz Competition
15	2018/2019		Award Ceremony to Laureates
16	2018/2019	28-Jun-19	Inauguration of the Roches Noires Day Care Centre



### Events highlights throughout the year 2018

- **An Inter-village football tournament** was organised by the Council since the month of September 2018 with the participation all the 19 villages. The final was held on the 9<sup>th</sup> December 2018 and the winning team went to Rodrigues for a weekend in June 2019.





- **The final match of the Intervillage football tournament** was held on the 9<sup>th</sup> December 2018. The village of Goodlands secured the third place. Rivière du Rempart and Grand Bay were the finalists and the grand winner was the team of Rivière du Rempart. The winning team was offered a trip to Rodrigues for one weekend in June 2019.



*The Prize Giving Ceremony of the Intervillage Football Tournament*

- **Eid Celebration in September 2018 at Vale Village Council**





- **Divali celebrations at Cottage football ground held on 07 November 2018**



*Lighting of the Diyas*



*Artist performing*



- **Bal Rann Zariko** was organised in collaboration with Ministry of Arts and Culture for the first time on the 17 November 2018 and was very successful as the senior citizens enjoyed and requested that same be organised again as a yearly feature.

On this occasion a Queen and a King of the ball are elected once they find the bean in the piece of cake that is distributed amongst the invitees during the event. There were various performances of ballroom dancing namely the Cha Cha Cha which was used as the dance for the opening of the ball.





- **Inauguration of the Petit Raffray Multipurpose Complex** was held on the 06<sup>th</sup> December 2018. The hall will be used for the main functions of the Council as well as be put on lease for Wedding receptions. The hall can accommodate up to 1000 persons during events.



*The ribbon cutting ceremony and the signature of the Visitor's Book*

### **Events highlights throughout the year 2019**

- **Regional task force meeting** for all religious associations for **Cavadee, Maha Shivaratree, Ougadi, Ganesh Chaturthi, Shri Venkateshwara Puja, Govinden and Durga Puja.**
- The Council proceeded with:
  - *Cleaning of river banks and mowing, removal of weeds and bushes on sides of roads*
  - *Supply of temporary lighting and also to see to it that all street lights are in good condition*
  - *Placing of flags and poles*
  - *Regular scavenging services and supply of plastic bins*
  - *All religious bodies/ associations received a grant of Rs 2,000 during a cheque remittance ceremony organized by the Council*





- **National Day Celebrations** at the District Council yard. Each all the staffs of the DC and the students of Mapou Government School are invited for a Flag raising ceremony in the yard of the council. After the function refreshments are served.





- A **Quiz competition** was organized by the Council to enhance literacy with for college students of Form 4 on 15 May 2019. The third place of the competition was won by the SSS Jugdambi, the second place went to the participants of Northfields High School and the grand winners of the quiz were students of Piton State College.





- Each year an **Award Ceremony for HSC Laureates 2018** is organized by the Council. For the 2018 batch, two ex-students namely Terry Jowree and Varesh Beeharry were rewarded for their outstanding performances. Each laureate received a cash prize and a shield.





- **Inauguration of the Roches Noires Day Care Centre** was held on 28 June 2019. The hall will be used as a day care centre for activities by the disabilities and senior citizens associations of the region. The hall is also on lease to the public for functions and can cater around 250 persons.



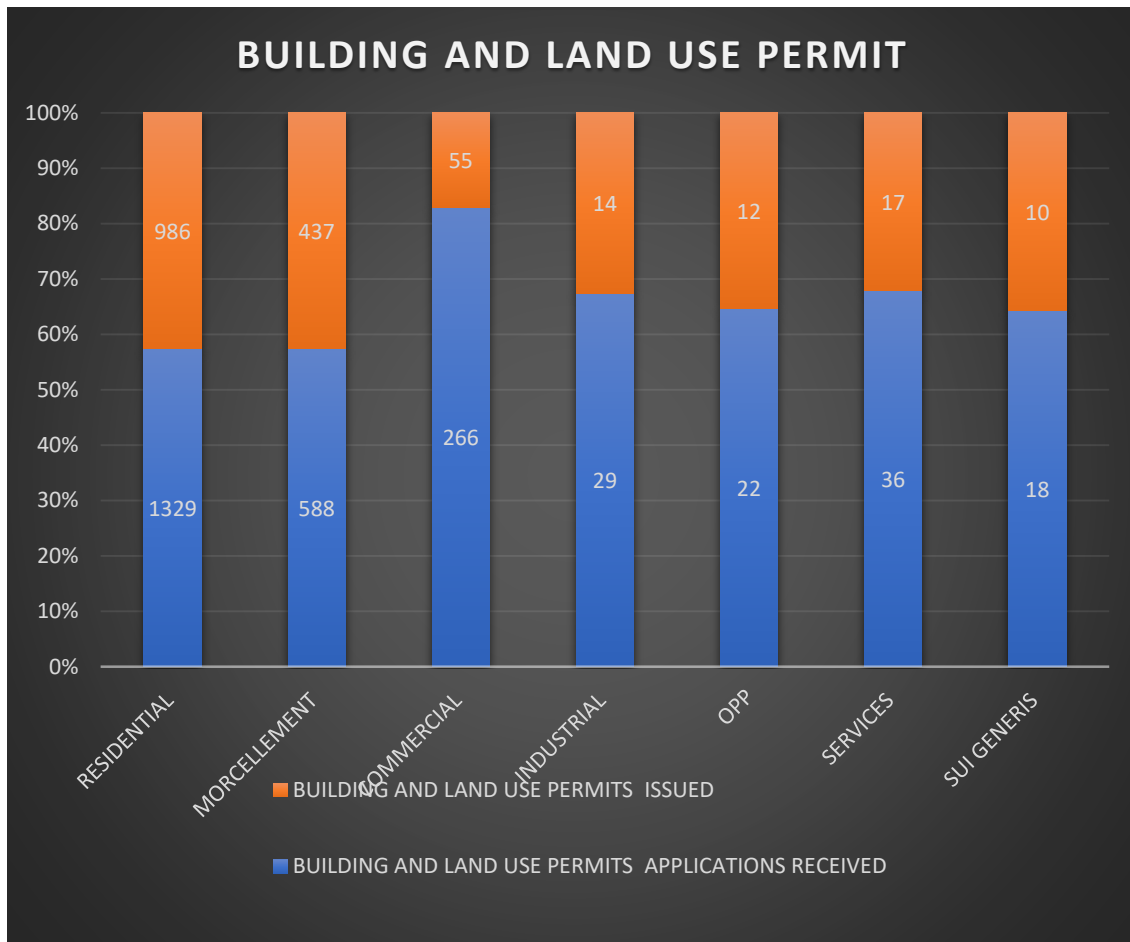
*The ribbon cutting ceremony*

## **THE LAND USE AND PLANNING DEPARTMENT**

The department has the overall responsibility for processing applications for Building and Land Use Permits for development works and to ensure that the provisions of the Building Control Act, the Town & Country Planning Act and Planning and Development Act are being complied with in relation to these works.

The trend for a high number of applications for Building and Land Use Permits continued in 2018/2019. Hereunder are a table and a bar chart indicating the number of applications which the department had processed and the number of permits issued during this period.

<b>BUILDING AND LAND USE PERMITS</b>		
<b>PERMIT TYPE</b>	<b>APPLICATIONS RECEIVED</b>	<b>ISSUED</b>
RESIDENTIAL	1329	986
MORCELLEMENT	588	437
COMMERCIAL	266	55
INDUSTRIAL	29	14
OPP	22	12
SERVICES	36	17
SUI GENERIS	18	10



Innovation was introduced, in April 2019, in the process of the Building and Land Use Permits with the National E-Licensing platform. The Economic Development Board has created a system where business is accelerated anywhere and anytime.

The new process enables applications and issue of Building and Land Use Permits to be made on-line. Applicants get access into the system through login and use of password. They can verify the status of the application, upload amended documents, process on-line payments on processing fees and Building and Land Use Permits fees.

The concept of the E-licensing is to review, modernize the process of several business licences/permits. It is a one stop portal for managing business licences and permit life cycle.

The District Council of Rivière du Rempart started on-line applications on 16<sup>th</sup> April 2019. The table below shows the type, cluster and status of applications received from 16 April to 30 June 2019.

<b>PERMIT TYPE</b>	<b>CUSTER</b>	<b>APPROVED</b>	<b>REFUSED</b>	<b>IN PROGRESS</b>	<b>TOTAL</b>
BLUP 1	Residential	132	56	53	241
BLUP2	Residential	60	23	34	117
BLUP 3	Commercial	14	14	40	68
	Industrial	0	2	3	5
	Residential	0	1	4	5
	Services	3	2	3	8
	Sui Generis	2	1	1	4
<b>Total</b>		<b>211</b>	<b>99</b>	<b>138</b>	<b>448</b>

A very important issue which the department had to deal with in June 2019 was the dismantling, removal and disposal of asbestos materials in EDC Housing Estates.

The Solid Waste Management Division is responsible for the dismantling of these houses and the disposal of the asbestos materials.

Following amendments to the Building Control Act which had been proclaimed to be effective as from 1<sup>st</sup> June 2019, the Ministry of Local Government requested that the Council serve Notices for Pulling Down upon the owners of the 16 houses surveyed for the District of Rivière du Rempart.

## **THE PUBLIC INFRASTRUCTURE DEPARTMENT**

The Public Infrastructure Department is responsible for the overall construction, management and maintenance of all public infrastructure assets of the Council. It has a dedicated team to ensure the proper running of the department.

The Public Infrastructure Department was responsible for the implementation of capital projects funded under the Local Development Projects Scheme. An amount of Rs 27,100,860 was spent out of 30 million rupees earmarked. Projects were implemented as follows:

<b>Local Development Projects 2018 - 2019</b>		
<b>Projects</b>	<b>Amount earmarked</b>	<b>Amount spent</b>
Construction of new roads	7,600,000	5,554,696
Resurfacing of roads	7,000,000	7,334,018
Extension of Street Lighting network in villages	4,500,000	4,500,000
Purchase of lanterns	800,000	800,000
Fixing of handrails	300,000	269,676
Contribution to Mauritius Telecom foundation for construction of open gym (MUGA Project) at Goodlands	3,500,000	3,500,000
Upgrading of stage & associated works at Petit Raffray Multipurpose Complex	800,000	759,321
Supply and fixing of Gate at entrance of Grand Baie Village Hall	200,000	85,005
Construction of fencing for futsal at Cottage	3,500,000	2,760,470
Levelling and tarring of yard at Roches Noires Multipurpose Complex/ Day Care Centre	1,000,000	863,412
Upgrading of District Council Premises	800,000	674,262
<b>Total</b>	<b>30,000,000</b>	<b>27,100,860</b>





**Petit Raffray Multipurpose Complex**



**Roches Noires Multipurpose Complex / Day Care Centre**

The Public Infrastructure Department was also responsible for the construction of absorption drains in flood prone areas under the National Environment Fund. An amount of Rs 5,806,540 was spent out of Rs 8.33 million earmarked.

The Public Infrastructure Department also had the responsibility for the implementation of projects funded by NDU which amounted to Rs 29,590,228 :

<b>NDU Funded Projects 2018/2019</b>		
<b>Projects</b>	<b>Amount earmarked (Rs)</b>	<b>Amount spent (Rs)</b>
Construction of new roads	20,700,000	13,551,245
Construction of drains/absorption drains post-flooding	10,500,000	5,066,920
Lighting of football ground at Poudre d'Or Village	2,500,000	2,100,000
Construction of new roads	12,400,000	8,241,748
Construction of absorption drains at Birla Rd, Cottage	875,000	630,315
<b>Total</b>	<b>46,975,000</b>	<b>29,590,228</b>

Following flooding in December 2018, an amount of Rs 10.5 million was allocated under the Emergency Flood Rehabilitation Programme. The Public Infrastructure Department had undertaken the resurfacing of damaged roads, cleaning and opening of drains and reconstruction of boundary walls at Cottage and other affected villages. An amount of Rs 5,425,368 was spent as shown below:

<b>Emergency Flood Rehabilitation Programme 2018/2019</b>	
<b>Projects</b>	<b>Amount spent (Rs)</b>
Reprofiling & Resurfacing of damaged roads	2,201,115
Patching works	250,000
Construction of boundary walls at Cottage	2,352,303
Hire of Excavator for cleaning & carting away of debris	221,950
Excavation of earth drain at Piton	400,000
<b>Total</b>	<b>5,425,368</b>



### **Maintenance and Repairs of Public Infrastructure Assets:**

In 2018/2019 financial year, around Rs 8.3M was spent on the maintenance and repairs of public infrastructure and other community assets as mentioned below:

<b>Item</b>	<b>Budget (Rs)</b>	<b>Actual (Rs)</b>
Buildings, Markets & Village Halls	897,128	945,608
Furniture, Equipment & Vehicles	2,104,559	2,379,595
Public Roads	1,775,000	2,155,936
Street Lighting Network	1,700,000	1,136,339
Sport Amenities	749,176	336,044
Cemeteries & Incinerators	466,368	450,924
Community assets	251,683	293,079
Other Public Assets	391,375	600,341
<b>Total</b>	<b>8,335,289</b>	<b>8,297,866</b>

### **Major Capital Projects**

**Necessary procedures were followed for the implementation of major projects.**

	<b>Budgeted</b>	<b>Revised Budget</b>	<b>Remarks</b>
Multipurpose Complex at Rivière du Rempart	Rs 50 M	Rs 50 M	Consultancy Services
Upgrading of market at Rivière du Rempart	Rs 50 M	Rs 50 M	Preparatory work
Construction of new Market & Traffic Centre at Goodlands	Rs 276 M (Exc. VAT)	-	Procurement procedures started in November 2018

### **Implementation of Key Actions**

<b>Key Actions</b>	<b>Key Performance Indicator</b>	<b>Target</b>	<b>Actual</b>
Patching of roads	Meters of road maintained	15,000 m	15,000 m
Traffic Measure	Meters of road marking	1,800 m	1,800 m
	Number of sign plates	175 units	173 units
	Meters of Handrails	100 m	100 m
Resurfacing of roads	Meters of road resurfaced	2,000 m	2,350 m
New roads	Meters of new roads constructed	4,000 m	4,233 m
Drains/absorption drains	Meters of new drains constructed	1,000 m	1,082 m
Street Lighting	Meters of street lighting	5,500 m	8,292 m
Lanterns	Number of street lanterns fixed	275 units	286 units
Servicing of street lighting	Number of bulbs replaced	2,700 units	2,725 units

As can be noted, almost all targets set had been reached in 2018-2019.

## **THE PUBLIC HEALTH DEPARTMENT**

The Public Health Department is headed by the Chief Health Inspector who is assisted by a Principal Health Inspector, a Senior Health Inspector and nine Health Inspectors. Among others, the main responsibilities of this Department include supervision of scavenging services, control of markets, cemeteries, economic operators as well as abatement of nuisances as per notices from other Ministries.

### **A. Scavenging Services**

Out of nineteen (19) villages, four (4) of them have outsourced services namely at Goodlands and Riviere du Rempart, Grand Baie and Cap Malheureux.

In order to optimize use of inhouse resources for refuse collection, the Council area is divided into 15 sites covering 15 villages – Petit Raffray having two teams, Poudre D'or Hamlet and Esperance Trebuchet have been merged as well as Amitie/Gokhoola/Mapou and part of Bois Rouge. Each site comprised of a team of one driver, one Field Supervisor, and 5 – 6 Refuse Collectors. Each team services about **1100** households/commercial premises per week. Nine (9) tipper lorries and (7) compactors were in use with 133 Refuse Collectors, 10 Field Supervisors, 11 Drivers and 4 Handymen. However, an average of four hours of work were performed per site for collection and one hour for sweeping of roads/green spaces and cleaning of barelands and cremation grounds. Scavenging Services were provided as per established programme of work. Furthermore, herbicide spraying were carried out in all villages.

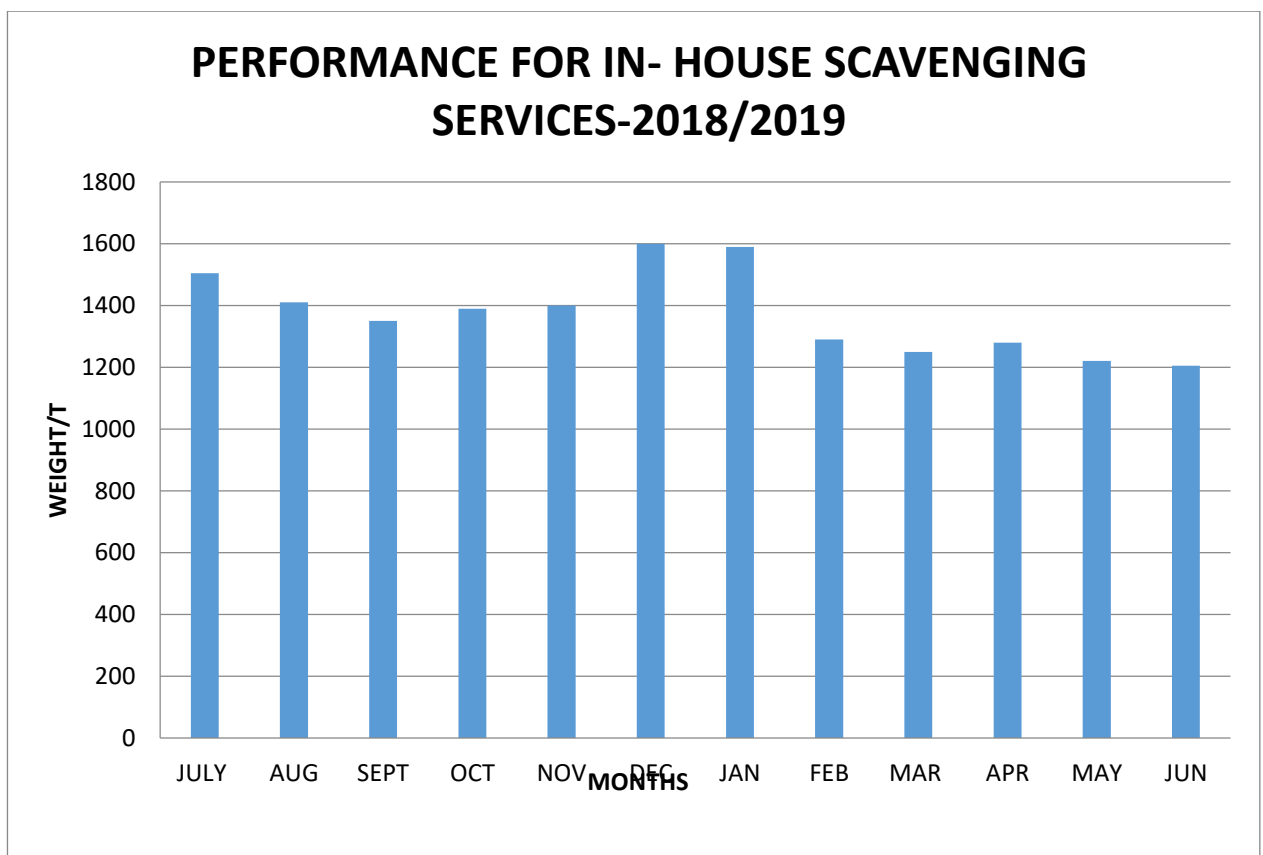
- **Waste collection data 2018/2019 (In-house)**

All records of data were recorded in a sheet of specific format jointly prepared with the Ministry of Local Government.

Number of trips of wastes collected and conveyed to Transfer Station of Poudre D'Or were around 2228. The amount of waste collected is shown below:

**PERFORMANCE FOR IN- HOUSE SCAVENGING SERVICES-2018/2019**

MONTHS	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
WEIGHT/T	1505	1410	1350	1380	1400	1600	1583	1294	1119	1282	1197.5	1204.6
TOTAL WEIGHT/T	16491											



- **Herbiciding**

Herbicide spraying was effected by 3 sprayermen as per established programme in all 15 villages served by in-house labour. Needful was done for purchase of equipment so as to offer motorised spraying which would be more efficient.

- **Lopping of branches/Cleaning of barelands**



A team of 7 – 8 Refuse Collectors/Handy workers, headed by 1 Field Supervisor, performed such works along internal roads. Survey revealed that there were about 1,925 plots of barelands within the residential areas. It was noted that the owners of most of them were unknown.



Notices were served as per Section 60(7) of Local Government Act 2011 at regular intervals upon known owners of private properties requiring them to clean and maintain their respective plots of land keeping them free from waste, undergrowth or noisome vegetation at all times. Press notices were also issued. Number of plots cleaned were 145.

- **Clean-up Campaigns**

They were performed upon availability of special funds from the parent Ministry.



- **Bulky Waste and E-Waste Campaign** – It was effected in May and June 2019.



- **Clean Up the World** - Special clean ups were carried out at Grand Baie, and Rivière du Rempart in collaboration with private stake holders.
- **Rodent Control**: funds were provided by the Ministry of Local Government. All nineteen villages were covered.
- **Embellishment Campaigns**: These were effected upon availability of plants from the Ministry of Environment and private nurseries. Sites covered were Grand Baie, Rivière du Rempart, Cap Malheureux Cemetery, Roches Noires and Cottage.



## **B. Management of Market/Fairs**

The two (2) markets found at Goodlands and Rivière du Rempart were managed including their maintenance, control of illegal hawkers in the vicinity and verification of arrears due by stall holders. Furthermore, one exercise for Expression of Interest was launched for Rivière du Rempart so as to fill in vacant stalls. As regards to Goodlands market necessary bids were launched for construction of a modern one with around 600 stalls at Belmont. Thus, it was expected that construction works would start by end of year 2019.

## **C. Cemetery/Cremation Grounds**

All six (6) cemeteries and seventeen (17) cremation grounds were cleaned to the satisfaction of the Council. Cemeteries were maintained by eleven (11) Burial Ground Attendants. The Council is also responsible for the operation of the 3 gas incinerators. The operation of incinerators is in line with sustainable environment as less pollution is caused as compared to traditional pyre.

The life span of the incinerator at Belmont has lapsed after 19 years. Necessary procedures were initiated for a new incinerator.

(i)	Incinerations (No.)	364
(ii)	Cremation (No.)	315
(iii)	Burial (No.)	243

## **D. Cleaning of Drains/Rivers**

### **(a) Open Drain**

Cleaning was effected by in-house labour at Goodlands by-pass, Belle Vue Maurel, Amaury, Amitié, Mapou/Bois Rouge, Poudre D'or, Petit Raffray and Panchavati during normal working hours. The extent of area cleaned was around 17,560 meters.

### **(b) Covered Drains**

Funds were provided by MOLG. Such works were contracted out and cleaning was performed under the supervision of the Public Health Department and Public Infrastructure Department. Cost of cleaning works amounted to Rs 765,282

The extent covered was around 3525 meters.

**(c) Cleaning of rivers.** This work was carried out by in house team of refuse collectors during normal working hours.





## **E. Distribution of bins**

Distribution of 9,655 bins was done from mid-April 2019 up to May 2019 in the following 8 villages: 1. Mapou, 2. Cottage, 3. Poudre D'or, 4. Roches Noires, 5. Amitié, 6. Piton, 7. Poudre D'or Hamlet and 8. The Vale.

Furthermore, 300 bins on wheels (wheelies) were distributed to religious bodies and educational institutions. The amount incurred was around Rs 4.2 m.

The Council had invested around Rs 4.2 m for the purchase of these bins.

The distribution exercise will continue in 2019-2020 in order to serve all nineteen villages



## **VILLAGE COUNCILS**

The District of Rivière du Rempart is made up of 19 Villages which are administered by their respective Village Councils. Each Village Council has its own budget and its revenue is the annual grant allocated by the District Council.

### **Expenses**

For year 2018/2019, Village Councils benefited from an annual grant of Rs 14,800,000 which was allocated as follows:

<b>Village Council</b>	<b>Utilities, Repairs &amp; Maintenance (Rs)</b>	<b>Sport, Social, Welfare &amp; Cultural Activities (Rs)</b>
Amaury	32	220,000
Amitie/Gokhoolah	25,000	220,000
Belle Vue Maurel	25,000	225,000
Cap Malheureux	25,000	225,000
Cottage	25,000	225,000
Esperance Trebuchet	25,000	220,000
Goodlands	25,000	450,000
Grand Baie	25,000	400,000
Grand Gaube	25,000	225,000
Mapou	25,000	214,000
Petit Raffray	25,000	300,000
Piton	25,000	225,000
Plaine des Roches	25,000	225,000
Poudre D'or	25,000	225,000
Poudre D'or Hamlet	25,000	225,000
Riviere du Rempart	25,000	315,000
Roche Terre	25,000	225,000
Roches Noires	25,000	225,000
The Vale	25,000	225,000

*Hereunder is the percentage of the expenses made by Village Councils out of this grant:*

Sports, Welfare & Cultural Activities	87%
Utilites & Maintenance	4%
Unspent Balance	9%

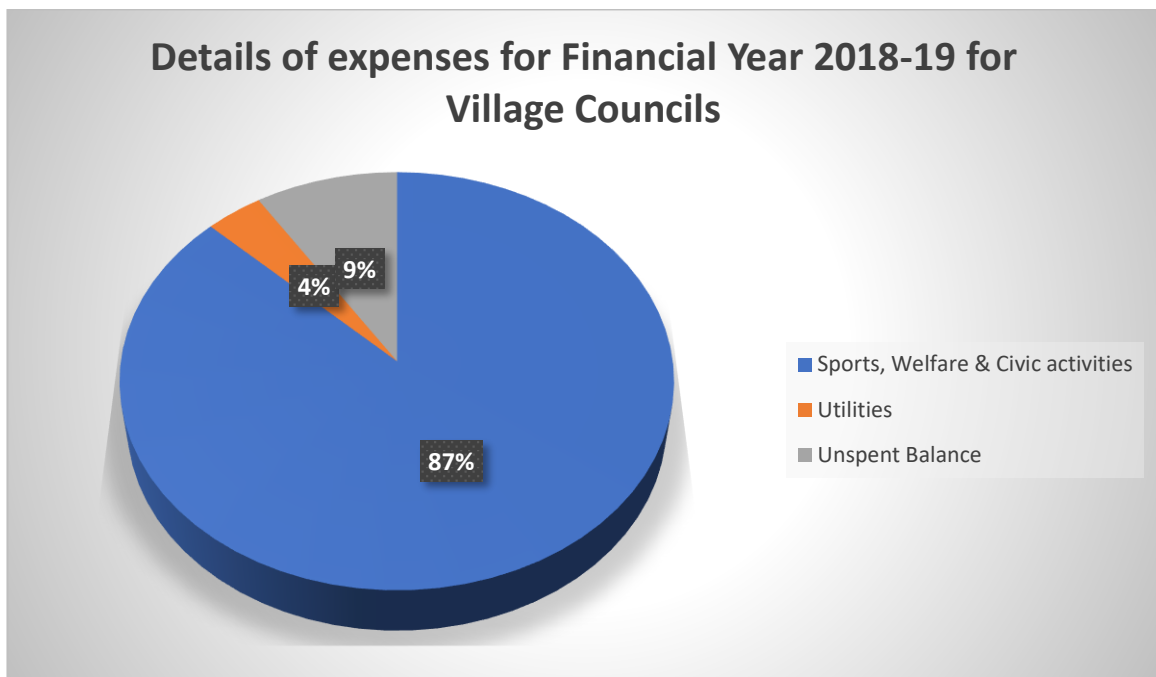
It is to be noted that part of the grant allocated to each Village Council is retained by the District Council to meet CWA Bills and to effect payment of monthly allowances to Village Councillors.

## **Activities**

There is a close interaction between members of the Village Councils and the inhabitants of their respective villages. This interaction helps to identify the requirements of the villagers and to design/ implement projects for the benefit of the villagers.

To promote the well-being of inhabitants, Village Councils organize several activities, that is sports activities, cultural shows, medical check-ups and outings for senior citizens. Village Councils' meetings are conducted on a monthly basis to discuss and approve activities to be organised as well as to look into complaints/any issue regarding the villages. Same are forwarded to the respective Authorities / Departments for necessary actions.

Village Councils are also aware of the necessity for a sustainable development and therefore the preservation of the environment. They organize clean up campaigns or environment days to sensitize inhabitants about the need to keep villages green and clean as well as to maintain the assets of their Villages.



It can be seen from the above that 95% of Village Councils' expenses is on Sports, Welfare and Cultural Activities as Village Councils concentrate mainly on the welfare of their inhabitants.

### **Major Achievements**

The National Audit Office in the Management letter dated 18<sup>th</sup> September 2018 took note that the statement of receipts and payments since year ended 31<sup>st</sup> December 2011 in respect of 19 Village Councils under the jurisdiction of the District Council of Rivière du Rempart had not been submitted to the National Audit Office (NAO), except for ten Village Councils for financial year 2016/2017. All queries in the management letter were attended to and a reply was made to the National Audit Office following the audit carried out by the NAO. Since then, the internal control process with regards to procurement, management of funds and assets records have been reinforced for the sake of accountability and transparency.

A special acknowledgement has to be done for the Assistant Chief Executives in post presently who had much difficulty to retrieve receipts and payments for previous years when they were not working for this Council but nevertheless put in all their efforts to work on these statements and submit same to the NAO.

## **THE FINANCE DEPARTMENT**

### **1. FINANCIAL HIGHLIGHTS**

#### **General Fund and Reserves**

As at 30 June 2019, General Fund and Reserves was made up of the following:

<b>General Fund and Reserves</b>	<b>Rs</b>
Accumulated Deficit	(818,239,270)
Passage Fund	3,551,307
Land Revaluation Reserve	1,856,867,839
Fair Value Reserve	165,272,862
Total	1,207,452,738

#### **Recurrent Revenue**

The activities of the Council are financed mainly from the grant in aid received from the Government and partly from Council's own sources of revenue. The amount of revenue grant received from the Central Government was Rs 260,565,630 excluding capital grant received and Council own revenue was Rs 58,246,090.

#### **Recurrent Expenditure**

The total recurrent expenditure for period July 2018 to June 2019 before depreciation charge and interest award at the arbitration was Rs 292,269,465.

#### **Surplus / Deficit for the year**

The effective recurrent surplus for the year was Rs 26,542,255. The Accumulated Deficit as at 30 June 2019 was Rs 818,239,270 including provision for pension payable on retirement, interest awarded by the arbitrator and government grant of capital nature.

#### **Capital Grant for the Construction of Community Assets**

The main source of revenue for the implementation of capital project was from the Local Development Fund, the National Development Unit and National Environment Fund. Please refer to Section 7.1 for more details.

#### **Public Contributions**

Land promoters have contributed Rs 1,631,850 for the extension of street lighting network in newly developed housing estates.

## **2. FINANCIAL PERFORMANCE**

Under the Performance Based Budget, resources are allocated to two main sub-heads namely; Administration & Finance and Provision of Statutory Services. Services are provided by four departments: - Public Infrastructure, Public Health, Land Use & Planning Department and Welfare. Performance of each of the departments has been analysed separately in Section 8.

The overall performance difference between the approved budget and actual figures for the financial year 2018-19 is detailed in the following table:

	<b>Budgeted</b>	<b>Actual</b>	<b>Performance Difference</b>	<b>Ministry Approved Estimates 2019/20</b>
<b>Revenue</b>				
Trade fees	22,144,575	19,554,850	(2,589,725)	21,500,000
Building and Land Use Permit Fee	12,765,287	18,059,058	5,293,771	18,000,000
Government Grant	246,000,000	260,565,630	14,565,630	255,000,000
Rendering of services	3,822,353	3,262,580	(559,773)	3,568,000
Finance Income	50,372	99,382	49,010	100,800
Rental Income	5,242,000	4,799,600	(442,400)	5,340,600
Other Income	768,756	701,514	(67,423)	1,148,000
	<b>290,793,344</b>	<b>307,042,614</b>	<b>16,249,270</b>	<b>304,657,400</b>
<b>Expenses</b>				
Compensation to employees	127,441,320	128,473,210	1,031,891	133,657,866
Remuneration of Councillors	5,298,597	5,101,311	(197,286)	5,516,780
Employee Retirement Benefit Obligation	25,150,415	22,768,570	(2,381,845)	24,345,000
Cleaning Services	74,814,064	75,126,992	312,928	74,266,512
Utilities	26,860,814	28,251,730	1,390,917	27,720,000
Grants and Subsidies	15,534,990	13,599,943	(1,935,047)	16,515,000
Repairs and Maintenance	9,593,540	8,297,866	(1,295,674)	7,305,000
Motor Vehicles Expenses	3,535,017	4,371,182	836,165	4,280,000
Professional and Legal Fees	2,380,000	2,306,757	(73,243)	2,350,000
Goods and Services	7,796,442	7,033,273	(763,169)	9,550,200
Finance Cost	635,250	637,094	1,844	589,050
Rent	120,000	120,000	-	120,000
Acquisition of fixed assets	2,208,743	2,343,082	134,339	1,925,000
Employee car loan	1,500,000	449,610	(1,050,390)	3,000,000
Loan repayment	924,000	1,568,569	644,569	924,000
	<b>303,793,192</b>	<b>300,449,190</b>	<b>(3,344,002)</b>	<b>312,064,408</b>
<b>Approved Budgeted (Deficit)/ Surplus</b>	<b>(12,999,848)</b>	<b>6,593,424</b>	<b>19,593,272</b>	<b>(7,407,008)</b>

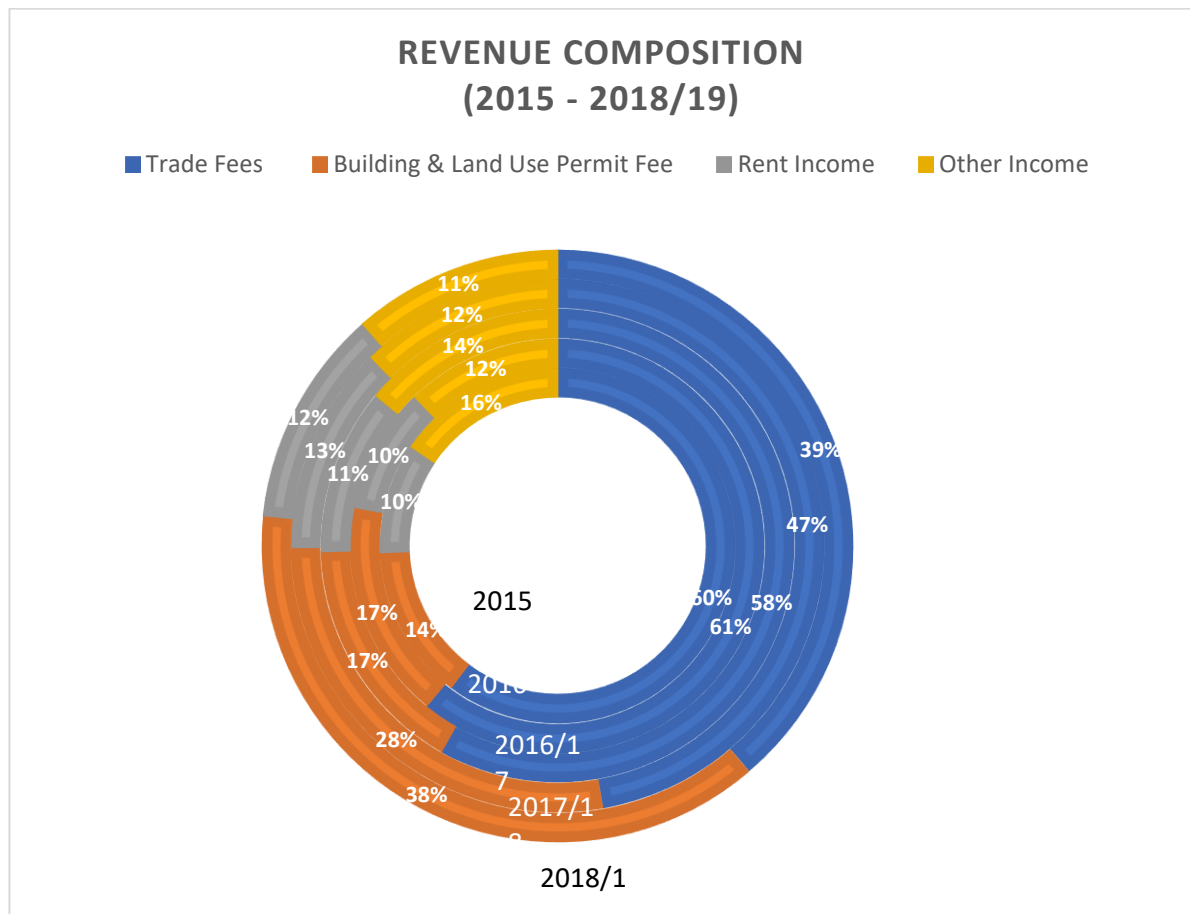
**Notes on performance difference**

- Grant approved for public amenities was not fully used due to incapacity of contractors to complete the works within the deadline established by the Central Government.
- During the year, several special grants were approved for the organisation of cleaning campaign, cultural activities and employment of young graduate for which no provisions were made.
- The differences in revenues and expenses were due to over and under provision in the final approved estimates by the Ministry.
- Generally, no provisions are made in the Council's initial budget. The amount for capital expenditure is known during the financial year.
- Trade fees have decreased by some 12% as a result of amendments brought in the Local Government Act in 2018 whereby all activities that are regulated by the Gambling Regulatory Authority no longer have to pay a trade fee.
- Building and land use permit fee has increased due to major residential development in the Council's area.
- During the year 2018-19, staff car loan was granted to only one additional eligible employee of the Council.
- Other income has increased following fines paid by offenders for construction without an appropriate Building and Land Use Permit or construction contrary to approved permit and plans in line with section 127 A(5)(a) of the Local Government Act 2011 (Amended).

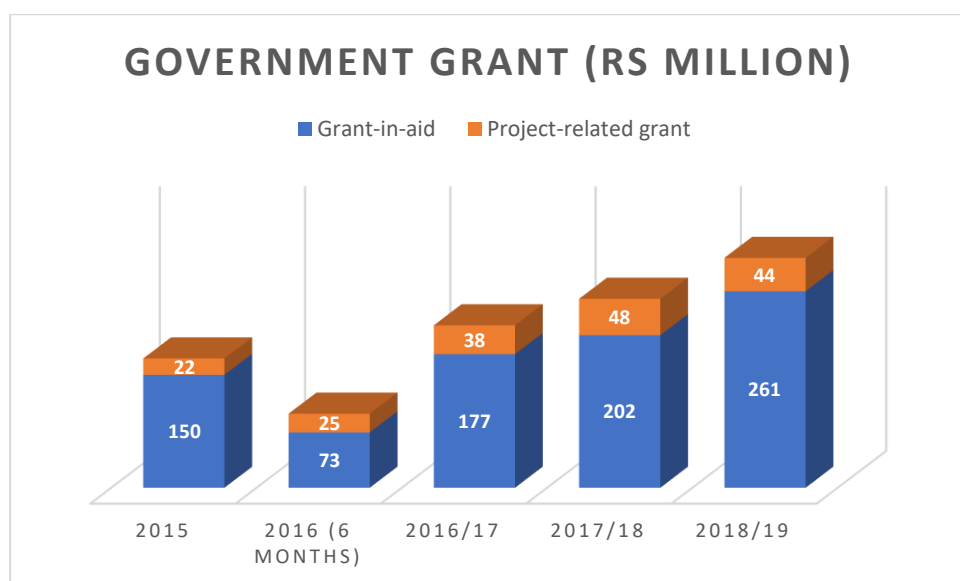


## ANALYSIS OF MAJOR CHANGES IN INCOME AND EXPENDITURE

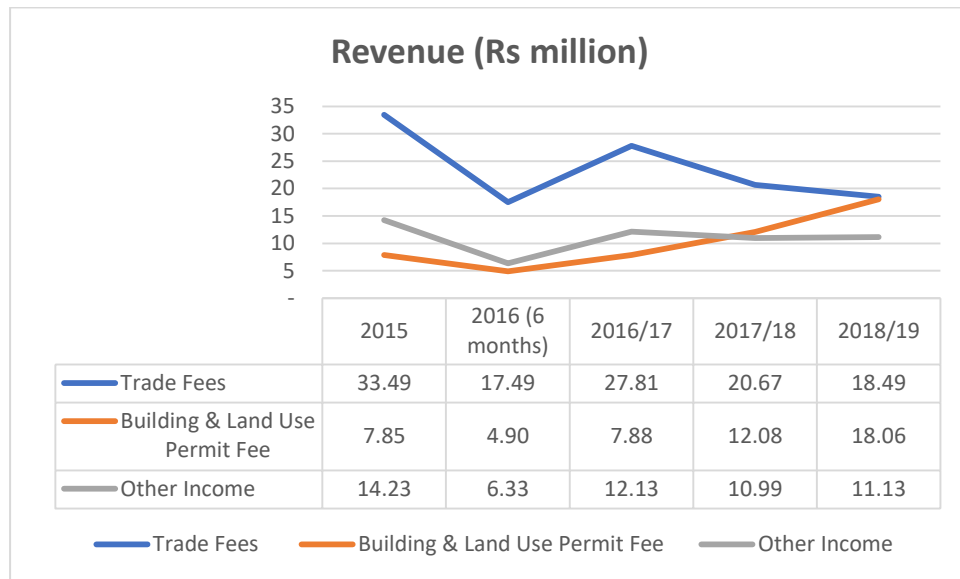
Note: Figures for 2016 in this Section of the report are for six months only due to change in the financial reporting period.



The above chart shows the trend in revenue collected over the past five years. As can be noted, trade fees and building and land use permit fees generate the bigger share of revenue for the Council.

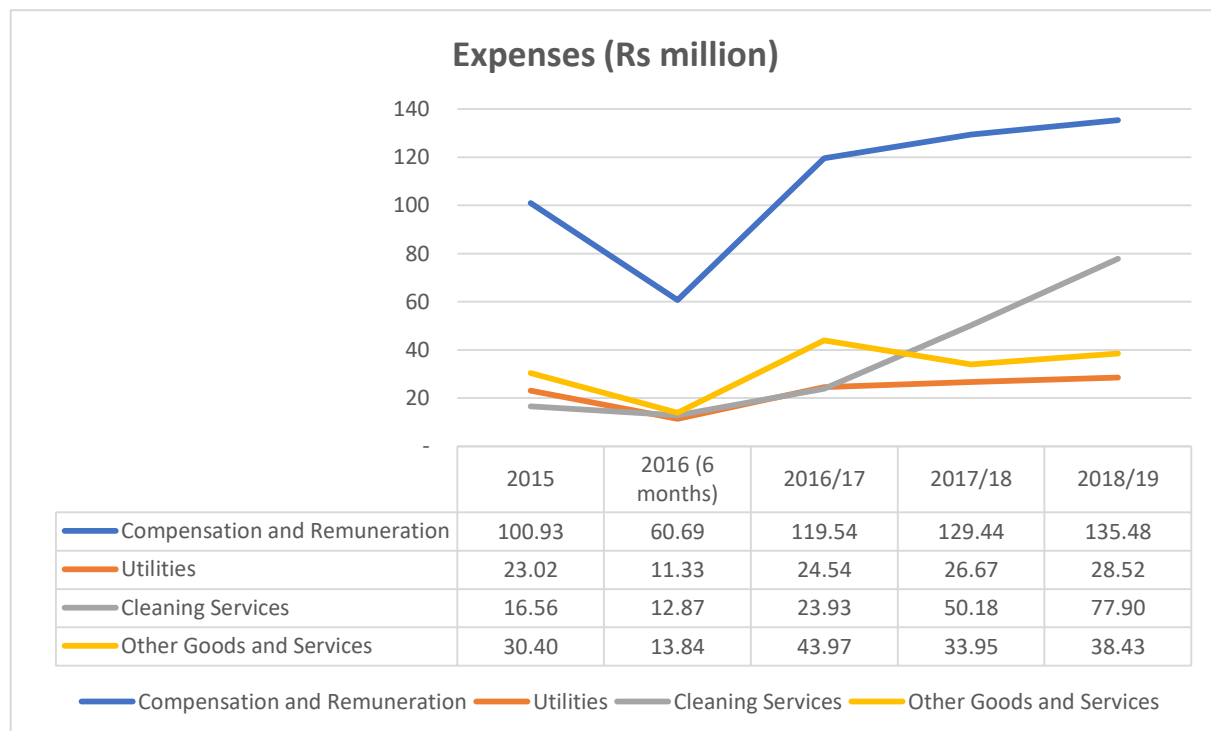


The above chart shows the trend in government grant received from 2015 to 2018/19.



The above chart shows the trend in revenue collected during the past five years.

- Trade fees have decreased over the years following amendments brought in the Local Government Act in 2018 whereby economic operators carrying out trade activities and having annual trade fee not exceeding 5,000 rupees as at 30 June 2016 as well as all activities that are regulated by the Gambling Regulatory Authority no longer have to pay a trade fee.
- Building and land use permit fee has increased due to major residential development in the Council's area.



The above chart compares expenditure for the past five years.

- Cleaning services include cleaning of bare-land, cleaning of drains/rivers/canals and refuse collection including e-waste and bulky waste. Prior to 2018, the scavenging services along the Mont Choisy – Cap Malheureux coastal zone and villages were serviced by the Ministry from grant-in-aid retained from Council's annual grant entitlement. As from January 2018, the service provided by the Council under the new contract agreement was much higher than the previous contract value, hence explaining the increase in FY17/18 and FY 18/19.
- The trend shows that expenditure is rising and maintenance costs shall vary with additional public amenities added to the Council Administration. Employee costs followed the same trend due to the recruitment of additional employees.

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019**

	<b>NOTES</b>	<b>30 June 2019</b>	<b>30 June 2018</b>
<b>ASSETS</b>		<b>RS</b>	<b>RS</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	6	2,005,416,374	183,603,750
Investment Property	7	165,272,862	-
Intangible assets	8	5,626	61,619
Investment	9	732,252	732,252
Receivables from non-exchange transactions	11	2,219,961	2,795,901
		<u>2,173,647,076</u>	<u>187,193,522</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalent	10	45,864,644	25,315,322
Receivables from non-exchange transactions	11	15,263,585	22,334,112
Receivables from exchange transactions	11	6,009,195	8,869,113
Inventories	12	6,137,106	7,936,445
		<u>73,274,530</u>	<u>64,454,992</u>
<b>CURRENT LIABILITIES</b>			
Trade payables from exchange transactions	13	36,745,584	39,985,569
Borrowings	14	830,370	924,000
Employee retirement benefit obligation	17	13,974,309	3,363,764
Provisions	15	444,698,595	438,634,099
Non-exchange deferred Income	16	243,249,388	220,143,227
Prepayments	13	826,400	303,000
		<u>740,324,645</u>	<u>703,353,659</u>
<b>NET CURRENT LIABILITIES</b>		<b>(667,050,115)</b>	<b>(638,898,667)</b>
<b>LESS: NON-CURRENT LIABILITIES</b>			
Borrowings	14	10,075,061	11,550,000
Employee retirement benefit obligation	17	289,069,161	298,089,985
		<u>299,144,222</u>	<u>309,639,985</u>
<b>NET ASSETS</b>		<b>1,207,452,738</b>	<b>( 761,345,130 )</b>
<b>GENERAL FUND AND RESERVES</b>			
Accumulated deficit		( 818,239,270 )	( 824,927,615 )
Reserves	18	2,025,692,008	63,582,485
<b>TOTAL NET EQUITY</b>		<b>1,207,452,738</b>	<b>( 761,345,130 )</b>

Approved by Council at its meeting of 27 September 2019

Prembhoodas Ellayah  
**CHAIRMAN**

Dheeraj Gopaul  
**CHIEF EXECUTIVE**

The notes 1 to 43 are integral part of the financial statements.

STATEMENT OF FINANCIAL PERFORMANCE FOR YEAR ENDED 30 JUNE 2019

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
		<u>RS</u>	<u>RS</u>
<b>Revenue from Non-Exchange Transactions</b>			
Trade Fees	19	18,870,975	20,669,350
Government Grant	22	305,100,680	250,693,093
Fines, Penalties and Levies	20	1,254,175	773,100
Other revenue	23	4,383,380	1,877,060
		<u>329,609,210</u>	<u>274,012,603</u>
<b>Revenue from Exchange Transactions</b>			
Building & Land Use Permit Fee		18,059,058	12,078,511
Rent Income	24	5,669,662	5,573,020
Interest Income	25	7,739,100	6,772,358
Other Revenue	26	2,269,740	2,130,259
		<u>33,737,560</u>	<u>26,554,148</u>
<b>Total Revenue</b>		<b><u>363,346,770</u></b>	<b><u>300,566,751</u></b>
<b>Expenses:</b>			
Compensation of Employees	27	130,374,838	125,087,664
Remuneration of Councillors	38	5,101,311	4,351,597
Utilities	28	28,520,932	26,671,995
Motor Vehicle Expenses	29	4,371,182	3,843,373
Repair and Maintenance	30	8,297,866	6,723,492
Cleaning Services	31	77,895,032	50,184,353
Employee Retirement Benefit Obligation	17	11,211,390	5,645,784
Grants and Subsidies	32	13,599,943	11,334,357
Professional and legal fees	33	2,346,207	4,082,656
Finance Cost	34	28,351,114	461,508,282
Other Goods and Services	35	9,814,599	7,962,361
Depreciation and Amortisation charges	6 & 8	43,636,612	41,836,971
		<u>363,521,026</u>	<u>749,232,885</u>
Total Expenses		<u>363,521,026</u>	<u>749,232,885</u>
Surplus / ( Deficit ) before other gain/loss		<b>( 174,256 )</b>	<b>( 448,666,134 )</b>
<b>Other Gains / ( Losses ):</b>			
<b>Items that will not be re-classified subsequently to Surplus or Deficit</b>			
Recognition of Investment Property		165,272,862	-
Recognition of Property, Plant & Equipment		1,799,696,496	23,169,865
		<u>1,964,795,102</u>	<u>( 425,496,269 )</u>
<b>Surplus / ( Deficit ) for the year</b>		<b><u>1,964,795,102</u></b>	<b><u>( 425,496,269 )</u></b>

The notes 1 to 43 are integral part of the financial statements.



**STATEMENT OF CHANGES IN NET ASSETS / EQUITY FOR YEAR ENDED 30 JUNE 2019**

	Passage Fund	Fair Value Reserve	Land Revaluation Reserve	Accumulated Deficit	Total
	RS		RS	RS	RS
<b>Balance At 01 July 2017</b>	3,002,246	-	48,242,289	( 263,754,608 )	( 212,510,074 )
<b>Adjustment</b>	-	-	-	( 7,996,523 )	( 7,996,523 )
Deficit for the year	-	-	-	( 540,838,534 )	( 540,838,534 )
Re-measurement of net defined benefit liability	-	-	-	12,848,370	12,848,370
Revaluation surplus on property	-	-	23,169,865	( 23,169,865 )	-
Adjustment on RBO	-	-	-	( 12,848,370 )	( 12,848,370 )
Transfer to / from accumulated surplus	286,752	-	(11,118,667)	10,831,915	-
<b>Balance At 30 June 2018</b>	<b>3,288,998</b>	<b>-</b>	<b>60,293,487</b>	<b>( 824,927,615 )</b>	<b>( 761,345,131 )</b>
<b>Balance At 01 July 2018</b>	3,288,998	-	60,293,487	( 824,927,615 )	( 761,345,131 )
<b>Adjustment</b>	-	-	-	1,231,566	1,231,566
Surplus for the year	-	-	-	1,964,795,102	1,964,795,102
Re-measurement of net defined benefit liability	-	-	-	2,771,200	2,771,200
Fair value adjustment on Investment property	-	165,272,862	-	( 165,272,862 )	-
Revaluation surplus on property	-	-	1,799,696,496	( 1,799,696,496 )	-
Transfer to / from accumulated surplus	262,309	-	(3,122,144)	2,859,835	-
<b>Balance At 30 June 2019</b>	<b>3,551,307</b>	<b>165,272,862</b>	<b>1,856,867,839</b>	<b>( 818,239,270 )</b>	<b>1,207,452,736</b>

The notes 1 to 43 are integral part of the financial statements.

## CASH FLOW STATEMENTS FOR YEAR ENDED 30 JUNE 2019

	Note	2019 <u>RS</u>	2018 <u>RS</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Licences and permits		17,829,104	12,078,511
Finance income		522,246	-
Government Grant		328,697,583	250,403,527
Other income		9,013,947	8,393,824
Trade Fees		20,947,850	18,956,090
<b>TOTAL</b>		<b>377,010,730</b>	<b>289,831,952</b>
<b>Payments</b>			
Compensation of Employees		(164,856,904)	(150,204,215)
Goods and services		(140,067,045)	(101,399,613)
Grants and Subsidies		(5,224,217)	(13,940,748)
Rent paid		(106,500)	(3,652,836)
Other payments		(449,610)	(2,175,151)
<b>TOTAL</b>		<b>(310,704,276)</b>	<b>(271,372,563)</b>
Cash flow from operating activities		66,306,454	18,459,389
<b>CASH FLOWS FROM INVESTING ACTIIVITIES</b>			
Purchase Of Property, Plant And Equipments	37	(46,334,332)	(41,662,573)
<b>Net cash flow used in investing activities</b>		<b>(46,334,332)</b>	<b>(41,662,573)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Repayments Of Borrowings		(924,000)	(924,000)
Increase In Deposits		1,501,200	2,501,066
<b>Net cash flow from financing activities</b>		<b>577,200</b>	<b>1,577,066</b>
<b>Net Increase in Cash and Cash Equivalents</b>		<b>20,549,322</b>	<b>(21,626,118)</b>
<b>Cash and Cash Equivalents at beginning of year</b>		<b>25,315,322</b>	<b>46,941,440</b>
<b>Cash and Cash Equivalents at end of year</b>		<b>45,864,644</b>	<b>25,315,322</b>

The notes 1 to 43 are integral part of the financial statements.

**STATEMENT OF COMPARISON OF BUDGET VS ACTUAL AMOUNT  
FOR YEAR ENDED 30 JUNE 2019**

	Original Budget RS	Final Budget RS	Actual RS	Performance Difference RS
<b><u>BUDGETED REVENUE</u></b>				
Trade Fees	21,800,000	22,144,575	19,554,850	2,589,725
Building and Land Use Permit Fee	10,000,000	12,765,287	18,059,058	(5,293,771)
Government Grant	246,000,000	246,000,000	260,565,630	(14,565,630)
Rendering Of Services	3,766,700	3,822,353	3,262,580	559,773
Finance Income	121,000	50,372	99,382	(49,010)
Rental Income	5,424,000	5,242,000	4,799,600	442,400
<b>TOTAL BUDGETED REVENUE</b>	<b>287,111,700</b>	<b>290,024,587</b>	<b>306,341,100</b>	<b>(16,316,512)</b>
<b><u>BUDGETED EXPENSES</u></b>				
Compensation of Employees	129,602,294	127,441,320	128,473,210	(1,031,891)
Remuneration of Councillors	4,600,000	5,298,597	5,101,311	197,286
Employee Retirement Benefit Obligation	25,221,279	25,150,415	22,768,570	2,381,845
Cleaning Services	75,156,462	74,814,064	75,126,992	(312,928)
Utilities	24,120,000	26,860,814	28,251,730	(1,390,917)
Grants and Subsidies	15,525,000	15,534,990	13,599,943	1,935,047
Repairs and Maintenance	9,870,000	9,593,540	8,297,866	1,295,674
Motor Vehicles Expenses	4,085,000	3,535,017	4,371,182	(836,165)
Professional and Legal Fees	2,380,000	2,380,000	2,306,757	73,243
Goods and Services	5,556,778	7,796,442	7,033,273	763,169
Finance Cost	635,250	635,250	637,094	(1,844)
Rent	120,000	120,000	120,000	-
<b>TOTAL BUDGETED EXPENSES</b>	<b>296,872,063</b>	<b>299,160,449</b>	<b>296,087,928</b>	<b>3,072,520</b>
<b><u>NON-RECURRENT</u></b>				
Advance Car loan payable	(5,300,000)	(1,500,000)	(449,610)	(1,050,390)
Advance Car loan received	730,280	768,756	701,514	67,243
Government Loan repayable	(924,000)	(924,000)	(1,568,569)	644,569
<b>TOTAL NON-RECURRENT</b>	<b>(5,493,720)</b>	<b>(1,655,244)</b>	<b>(1,316,666)</b>	<b>(338,578)</b>
<b><u>CAPITAL EXPENDITURE</u></b>				
Property, plant and equipment	(1,850,000)	(2,208,743)	(2,343,082)	134,339
<b>APPROVED BUDGETED DEFICIT</b>	<b>(17,104,083)</b>	<b>(12,999,848)</b>	<b>6,593,424</b>	<b>(19,593,272)</b>
<b><u>NON-BUDGETED REVENUE</u></b>				
Fines, Penalties And Levies	-	-	400,000	(400,000)
Project Related Government Recurrent grant	-	-	3,776,494	(3,776,494)
<b>TOTAL NON-BUDGETED REVENUE</b>	<b>-</b>	<b>-</b>	<b>4,176,494</b>	<b>(4,176,494)</b>
<b><u>NON-BUDGETED EXPENSES</u></b>				
Youth Employment Programme Allowance	-	66,325	66,325	-
E-Waste and Bulky Waste Collection	-	1,853,245	1,143,611	709,634
Cleaning of drains, canals and bare lands	-	1,666,666	1,624,429	42,237
Organisation of cultural activities	-	432,833	327,601	105,232
<b>TOTAL NON-BUDGETED EXPENSES</b>	<b>-</b>	<b>4,019,069</b>	<b>3,161,967</b>	<b>857,102</b>

The notes 1 to 43 are integral part of the financial statements.

**STATEMENT OF COMPARISON OF BUDGET VS ACTUAL AMOUNT  
FOR YEAR ENDED 30 JUNE 2019**

	Original Budget RS	Final Budget RS	Actual RS	Performance Difference RS
<b><u>NON-CASH ADJUSTMENT - INCOME</u></b>				
Fair value adjustment	-	-	7,469,000	(7,469,000)
Accrued revenue	-	-	4,601,620	(4,601,620)
<b>TOTAL NON-CASH ADJUSTMENT - INCOME</b>	<b>-</b>	<b>-</b>	<b>12,070,620</b>	<b>(12,070,620)</b>
<b><u>NON-CASH ADJUSTMENT - EXPENSES</u></b>				
Provision for bad debts	-	-	2,333,750	(2,333,750)
Provision for depreciation and amortisation	-	-	43,636,612	(43,636,612)
Provision for employee benefit	-	-	(9,721,878)	9,721,878
Accrued expenses	-	-	28,022,647	(28,022,647)
<b>TOTAL NON-CASH ADJUSTMENT - EXPENSE</b>	<b>-</b>	<b>-</b>	<b>64,271,131</b>	<b>(64,271,131)</b>
<b><u>NON BUDGETED CAPITAL EXPENDITURE FINANCE BY OTHER GRANTS</u></b>				
Property, plant and equipment	78,200,000	78,200,000	60,080,035	18,119,965
Project Related Government Capital grant	(78,200,000)	(78,200,000)	(60,080,035)	(18,119,965)
<b>TOTAL NON BUDGETED CAPITAL EXPENDITURE FINANCE BY OTHER GRANTS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL NET BUDGET FOR THE YEAR</b>	<b>(17,104,083)</b>	<b>(17,018,917)</b>	<b>(44,592,560)</b>	<b>27,573,643</b>

**RECONCILIATION OF NET BUDGET TO DEIFTCT**

TOTAL NET BUDGET FOR THE YEAR	(44,592,560)
<u>Adjustment for</u>	
Capital expenditure	43,450,150
Car and government loan	1,316,666
Deficit before other gain/loss	174,256

**Explanatory notes to the Statement of Comparison of Budget v/s Actual**

1. Grant approved for public amenities was not fully used due to incapacity of contractors to complete the works within the deadline established by the Central Government.
2. During the year, several special grants were approved for the organisation of cleaning campaign, cultural activities and employment of young graduate for which no provision were made.
3. The differences in revenues and expenses were due to overprovision and under provision in the final approved estimates by the Ministry.
4. Generally no provision are made in Council's initial budget. The amount for capital expenditure is known during the financial year.

The notes 1 to 43 are integral part of the financial statements.

## **NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019**

### **1. GENERAL INFORMATION**

#### **Reporting Entity**

The District Council of Rivière du Rempart is a corporate body established under the Local Government Act 2011 (as amended), Part II Section 3 and 7. The place of management is at Royal Road, Mapou.

#### **Activities of the Local Authority**

The Council's principal activities are the provision of sound public infrastructure and its maintenance, household waste collection, licensing of business activities, issuing of development permit and the promotion of sport, leisure and welfare activities as stipulated under Section 50 of the Local Government Act 2011.

#### **Reporting Date**

The financial reporting period of the Council was for the twelve months ended 30 June 2019.

### **2 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION**

The financial statements of the District Council of Riviere du Rempart have been prepared under the historic cost convention, unless stated otherwise, and in compliance with the Local Government Act 2011 and comply with International Public Sector Accounting Standards (IPSAS).

The Financial statements are presented in Mauritian Rupees (RS) which is the functional currency of the Council and all values are rounded to the nearest rupee. The accounting policies have been consistently applied to all the years presented. The cash flow statement is prepared using the direct method and the financial statements are prepared on the accruals basis.

Council has shifted from the International Financial Reporting Standards (IFRS) to the International Public Sector Accounting Standards (IPSAS) as from 2017-18, and has opted the three years transitional period in compliance with IPSAS 33. All the IPSASs standards have been applied at the date the financial statements were approved by the Council with the following exceptions.

<b>Description</b>	<b>Effective Date</b>	<b>Effect on the Financial Statements</b>
IPSAS 21 – Impairment of Non-Cash Generating Assets	01 January 2006	Direct effect on Surplus / Deficit in the Statement of financial performance and Net Asset
IPSAS 26 – Impairment of Cash Generating Assets	01 April 2009	Direct effect on Surplus / Deficit in the Statement of financial performance and Net Asset



## **2 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION – CONT'D**

### **Summary of Amendments to IPSASs**

The tables below set out the recent newly pronounced standards which have been adopted in the preparation of these financial statements 2018-19.

<b>Standards</b>	<b>Pronouncement</b>	<b>Effective date</b>	<b>Comply as from</b>
IPSAS 34	Separate financial statements	1 January 2017	FY 2017-18
IPSAS 35	Consolidated financial Statements	1 January 2017	FY 2017-18
IPSAS 36	Investment in Associate and Joint Ventures	1 January 2017	FY 2017-18
IPSAS 37	Joint Arrangements	1 January 2017	FY 2017-18
IPSAS 38	Disclosure of interest in Other Entities	1 January 2017	FY 2017-18
IPSAS 39	Employee Benefits	1 January 2018	FY 2017-18
IPSAS 40	Public Sector Combinations	1 January 2019	FY 2018-19
IPSAS 41	Financial Instruments	1 January 2022	FY 2018-19
IPSAS 42	Social Benefits	1 January 2022	FY 2018-19

## **3 SIGNIFICANT ACCOUNTING POLICIES**

### **(a) CONSOLIDATION OF FINANCIAL STATEMENTS**

#### **Controlled Entity**

Controlled entity is an entity which is controlled by another entity, called the controlling entity. Controlled entity over which the controlling entity has the power to govern the operating, financial and non-financial policies. The controlled entity is fully consolidated from the date on which control is transferred up to the date it ceases to be an associate. Upon loss of significant influence over the associate, the controlling entity ceased to consolidate the financial statements of the controlled entity and any remaining investment is recognized at its carrying amount.

Control is also assessed by protective rights, delegated power, de facto control and de facto agency arrangements. When a controlling entity-controlled entity relationship exists, consolidated financial statements are required.

### **3 SIGNIFICANT ACCOUNTING POLICIES – CONT'D**

#### **(a) CONSOLIDATION OF FINANCIAL STATEMENTS – CONT'D**

##### **Investments in Associates and Joint Venture**

An associate is an entity in which the investor has significant influence while a joint venture arises when the investor has joint control. An investment in an associate or a joint venture is accounted using the equity and the proportionate consolidation method, respectively; and it is classified as a non-current asset under the available-for-sale asset in the consolidated financial statements of the controlling entity.

#### **(b) REVENUE RECOGNITION**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the District Council and the revenue can be reliably measured, regardless of when the payment is received.

The general policy of the Council is to recognize revenue on an accrual basis with the substance of the relevant agreement except to those specified below. Revenue is recognized as deferred income when there is a related condition attached that would give rise to a liability to repay the amount and/or where the income is deferred to match revenue against expenditure.

Financial reporting of revenue arising from exchange transactions when one entity receives asset or services, or has liabilities exchanged, and directly gives approximately equal value in the form of cash, goods, services or use of assets to another entity in exchange. Non-exchange transactions are those transactions where there is no exchange of approximate direct benefits or value between receiving and giving entities.

##### **Revenue from Exchange Transactions**

###### **(i) Rental income**

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis on the accrual basis over the lease terms and is included in revenue in the statement of performance due to its operating nature.

###### **(ii) Building and Land Use Permit (BLUP) fee**

Building and land use permit fee is recognized on the accrual basis and accounted on the amount actually received and/or collected and development permit actually issued.

### **3 SIGNIFICANT ACCOUNTING POLICIES – CONT'D**

#### **(b) REVENUE RECOGNITION – CONT'D**

##### **Revenue from Exchange Transactions - cont'd**

(iii) Interest Income

Interest income is accrued using a time proportion basis based in accordance of the relevant agreement and prevailing rate of interest. Interest income generated from investment of the Passage Liability is credited to the Passage Fund Reserve in equity in compliance with Section 81 (5)(b) of the Local Government Act 2011. Interest on car loan at the concessional rate of 4% is computed using the effective market rate of interest and it is recognized as revenue in the statement of financial performance.

(iv) Burial and Incineration fees

Burial and incinerator fees are recognized on the accrual basis that is the amount actually received and / or collected and service actually provided.

(v) Other Income

School fee and bus toll are recognized on the accrual basis, unless collectability is in doubt and cannot be recognized when it is uncertain that future economic benefit will flow to the Council, and the fair value of the asset can be measured reliably. While fee payable for duplicate receipt for loss of building and land use permit (BLP) and trade fee receipts are accounted for as income. Bus toll fee is payable one month in advance, else a 50% surcharge is levied on the fee due.

##### **Revenue from Non-Exchange Transactions**

(i) Trade fee

Trade fee is payable whenever an economic operator or any person carries out a classified trade as stipulated by the Local Government Act 2011 Section 122 (2). It is an offence to carry out such trade without the payment of the appropriate fees. However, there is a high risk that a trader failed to complete the procedure for cessation of business and thus the probability of receiving payment of trade fee is remote.

Thus, revenue from non-exchange transaction, trade fee, is recognized when the income is measured at fair value, is reliable and collectible. As the collectability of trade fee receivable is not reasonably assured, trade fee receivable and received is recognized on accrual basis.

A surcharge of 50% shall be levied on any amount not paid within the period specified in Section 122 (4) of the Local Government Act 2011.

### **3 SIGNIFICANT ACCOUNTING POLICIES – CONT'D**

#### **(b) REVENUE RECOGNITION – CONT'D**

##### **Revenue from Non-Exchange Transactions - cont'd**

(ii) Advertising fee

Advertising fees are accounted for as income on an accrual basis unless collectability is in doubt and cannot be recognized when it is uncertain that future economic benefit will flow to the Council, and the fair value of the asset can be measured reliably.

(iii) Government Capital grants

Government grant is not recognized until there is reasonable assurance that the Council will comply with the conditions attached to them and that the grants will be received. A liability is recognised in respect of the condition attached to a grant with the specific purpose attached to the grant and related revenue shall recognised in the period the condition is satisfied.

Grant received / receivable for the acquisition of fixed assets whereby Council is required to operate and maintain them until the expiry of their respective economic useful live or up to the date they are scrapped or replaced, is deferred over the useful economic life of the asset.

(iv) Government grant-in-aid

Grant-in- aid is received from the Central government as compensation to meet expenses or losses already incurred or for the purpose of giving immediate financial support to the Council with no future related costs. They are recognized in the statement of financial performance in the period in which they become receivable.

(v) Transfer from other government entities

Revenue from non-exchange transactions with other government entities are measured at fair value (deemed cost) and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Council and can be measured reliably

#### **(c) TAXES**

##### **Income Tax**

Local Authorities are exempted from payment of taxes on revenue as per the Audit and Finance Act.

## **TAXES – CONT'D**

### **Value added Tax**

Value added tax paid on the procurement of asset, goods and services is not recoverable from the tax authority and therefore the tax paid is recognised as part of the cost of acquisition of the asset and expenses.

### **Tax deduction at source**

Professional and service providers undertake contractual services for local authorities under an exchange transaction. Therefore, under the prevailing income Tax Act the Local authorities should retain a percentage of tax levied on the service cost (depending upon the service provision like consultancy, rental service, etc) and remit same to Mauritius Revenue Authority (MRA) on behalf of the service provider. This retention during the cut off period should be treated as financial liability.

## **(d) INVESTMENT PROPERTY**

Investment property is land or buildings, or part of a building, or both held to earn rentals or capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purpose or for sale in the ordinary course of business. Investment property is initially recognized at cost including all directly attributable expenses such as borrowing cost, legal fee and duties. In a non-exchange transaction investment property is measured at its fair value (deemed cost) at the date of acquisition or first recognition. It is recognized as an asset when it is likely that future economic benefits or service potential that are associated with the investment will flow to the Council and the cost or fair value of the investment property can be measured reliably.

Investment property acquired through a non-exchange transaction at no cost or for nominal value and if it is recognized for the first time, the asset is measured at its fair value as at the date of acquisition and the fair value gains is recognized in the statement of financial performance under other gains or losses.

Subsequent to initial recognition, investment property is re-measured to fair value using the fair value model at each reporting date. The gain or loss is directly recognized to surplus / deficit under other gain or loss.



## **INVESTMENT PROPERTY – CONT'D**

Gains or losses arising from changes in the fair values of the investment property are non-distributable surplus because they are not realizable gains. Therefore, the fair value gains or losses are transferred to the fair value revaluation reserve to present a true and fair view of the accumulated surplus or deficit of the general fund in the financial statements.

### **De-recognition of Investment Property**

Investment property is de-recognised either when it is disposed or when it is permanently withdrawn from use or when there is a change in use and it is re-classified in the financial statement. The difference between the net disposal proceeds and the carrying amount of the asset is recognized as the surplus or deficit in the period of de-recognition.

## **(e) PROPERTY, PLANTS AND EQUIPMENT**

### **Measurement on Initial Recognition**

Property, plants and equipment (PPE) are recognized as assets if it is probable that future economic benefit or service potential associated with the assets will flow to the Council, and the cost or fair value of the item can be measured reliably. PPE is initially recognized at cost which includes any expense that is directly attributed to its construction or manufacture or acquisition to get the asset ready for its intended use, excluding borrowing cost. When an asset is acquired free of charge, or for nominal value, its cost is its fair value (deemed cost) as at the date of acquisition. When significant parts of the PPE are required to be replaced or renewed at intervals, Council recognizes such parts as individual additional assets with a distinct useful life and depreciates them accordingly. All other repairs and maintenance costs are expensed to surplus.

### **Fair Value**

Fixed assets acquired in a non-exchange transaction at a nominal cost or for free are initially recognized at its deemed cost or its fair value. The fair value gain is accounted in the surplus when the title of the property is legally transferred by the transfer to the transferee. For land transferred by transfer to the transferee for maintenance purpose and the title remains with the transferor the fair value gain is disclosed separately under land revaluation gains in the statement of net equity.

### **Class of Assets**

#### **(i) Buildings**

Buildings held for use in the supply of services and for administrative purposes are recognized in the financial statements at cost or transfer value, being the fair value at the date of transfer of ownership less any subsequent accumulated depreciation and/or accumulated impairment losses. No revaluation is carried out unless required to reflect the fair value.

**(ii) Freehold Land**

Land acquired by Council is initially valued at cost of acquisition and thereafter revaluated at regular interval. No depreciation is applicable.

Land transferred by real estate promoters are in principle transferred to the Council at the token amount of MUR 1 per plot or nominal amount. These land are transferred with conditions attached to the deed of sale which clearly stipulates constraints on its disposal or use. Land transferred is initially recognized in the statement of financial position at deemed cost which equate its market value and subsequently revalued at regular intervals. The difference between the fair and nominal value is credited to the land revaluation reserve in equity.

State land are vested to Council by the central government through its ministries for development, maintenance and administration purpose with constraints on its disposal or its use. These land are initially recognized at fair value on the date of transfer. The surplus between fair value and transfer cost is recognized in land revaluation reserve in equity. State land is de-recognised in the financial statement when the land is taken back by the central government and the land revaluation reserve is reduced by a corresponding amount in equity.

Land is subject to revaluation to determine the fair value on a rolling basis once every five years.

**(iii) Public Infrastructure**

Construction and acquisition of community assets such as drains, new roads, resurfacing of existing roads, street lighting network, sport facilities, children playground and other community infrastructures are recognized under the public infrastructure and are depreciated during their economic useful life.

Cost of patching of roads, fixing of traffic signs and names plates are charged to the statement of financial performance as expenses in the year they are incurred. However, overhauling of roads are capitalized.

**(iv) Other tangible fixed assets**

IT equipment, office equipment, plants, machineries, furniture, fixtures, fittings and motor vehicles are stated at cost less accumulated depreciation and accumulated impairment losses, and stated at its carrying value.

## **PROPERTY, PLANTS and EQUIPMENT – CONT'D**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition or transfer of the asset. Any replacement of a significant part of an existing fixed asset is disclosed as individual assets with specific useful lives and depreciated accordingly. The replacement cost includes major cost of inspection and capitalized to the total cost. All other cost of repairs and maintenance are recognized in surplus or deficit as incurred.

Assets acquired in a non-exchange transaction free of charge or at nominal value are initially recognized at its fair value thereof at the date of acquisition and depreciated accordingly. The corresponding credit is recognized as income in the statement of financial performance otherwise it is deferred as a liability if there are conditions attached to the use of the asset.

Depreciation is charged so as to write off the cost of fixed assets less the residual value at the annual estimated rates over their useful lives, using the straight-line method. The estimated useful lives, residual value and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

### **(v) Impairment of Assets**

An asset's carrying amount is written down immediately to its recoverable amount, or recoverable service amount, if the asset's carrying amount is greater than its estimated recoverable amount or recoverable service amount. An impairment loss is recognized in the surplus or deficit.

### **(vi) De-recognition of Assets**

Property, plant and equipment and/or any significant part of an asset are de-recognized upon disposal or when no future economic benefits or service potential is expected from its continuing use. Any gain or loss arising upon de-recognition or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the surplus or deficit in the statement of financial performance.

### **(vii) Assets Under Construction**

Assets in the course of construction are carried out at cost less any recognized impairment loss. Cost includes professional fees and any related cost but excluding borrowing costs which is charged to surplus. Depreciation is chargeable as from the date the asset is classified to Property, Plants and Equipment for its intended use and the asset start generating economic benefit or service provision.

**PROPERTY, PLANTS and EQUIPMENT – CONT'D**

**(viii) Depreciation Rates**

The annual rates are used in the calculation of depreciation:

Building	5%
Public Infrastructure	20%
Computer and Equipment	25%
Furniture, Fixtures and Fittings	10%
Motor Vehicles	20%

**(f) LEASES**

Lease is classified as finance lease when all the risks and benefits incidental to ownership of an asset is transferred to the Council. Though the title is not transferred to the lessee, the asset under finance lease is recognized as asset and liability at the lower of the present value of minimum lease payments and the fair value of the property determined at the inception of the lease. The discount rate used is the incremental borrowing rate or the interest rate implicit in the lease. The land and building element of a lease is considered separately for the purpose of lease classification.

**(i) Finance Lease**

Assets under finance lease is depreciated over its useful economic life. The asset is depreciated over the shorter of the estimated useful life of asset and the lease term when there is no reasonable certainty that council will obtain ownership of the asset by the end of the lease period.

Finance lease payment is apportioned between finance charge and reduction in outstanding lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance cost is recognized as expense in the statement of financial performance.

Finance lease receivable is recognized as asset in the statement of financial position at an amount equal to the net investment in the lease. Revenue received under a finance lease is recognized in the statement of financial performance based on a pattern reflecting a constant periodic rate of return on the Council's net investment.

## **LEASES – CONT'D**

### **(ii) Operating Lease**

In an operating lease all risks and rewards incidental to ownership of the asset do not substantially transferred to the Council. Under an operating lease:

- The rent payment is recognized as expenses in the surplus or deficit on a straight-line basis over the lease term.
- Rent received/receivable from an operating lease agreement is recognised as income on a straight-line basis over the lease term under the revenue from exchange transaction in the statement of financial performance.

Asset held under operating lease is disclosed in Council's statement of financial position according to its nature. Any initial direct cost incurred in finalizing an operating lease agreement is capitalized in the carrying amount of the leased asset and recognized them as expense over the lease term on the same basis as the lease revenue.

## **(g) INTANGIBLE ASSETS**

Intangible assets are recognized if it is probable that future benefits or services potential that are attributable to the asset will flow to the Council, and the cost or fair value of the asset can be measured reliably. Internally generated intangible assets are not recognized. An intangible item that does not meet both the recognition and definition criteria is expensed in statement of financial performance when incurred.

Following the initial recognition as an intangible asset, it is accounted for using the cost model less any accumulated depreciation and impairment losses, except for an intangible asset acquired through a non-exchange transaction where it is measured at deemed cost or fair value at the date of acquisition. The economic useful life of an intangible asset is assessed as finite or infinite.

Application software is classified as an intangible asset while operating software is recognized as property, plant and equipment as it cannot be separated from the latter. The cost of intangible is amortized over its useful economic life. Impairment test is carried out whenever there is indication that the asset may be impaired.

Application software (Ebiz System)	10 years ( 10% )
Operating Software (Office) and software licenses	10 years ( 10% )



## **INTANGIBLE ASSETS – CONT'D**

The amortization period and the amortization method for an intangible asset with a finite life are reviewed at the end of each reporting year. Any changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period and/or method as appropriate, and are treated as changes in accounting estimates. Amortisation expense is recognized in surplus or deficit under the amortization cost of intangible assets.

Gains or losses arising from de-recognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the surplus or deficit when the asset is de-recognized.

### **(h) IMPAIRMENT OF NON-FINANCIAL ASSETS**

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

A cash generating asset is an asset that is held with the primary objective of generating a commercial return whereas a non-cash generating asset is one from which Council do not intend to realize commercial return. Impairment test is carried out for intangible asset with an indefinite useful life or an intangible asset not yet available for use by comparing its carrying amount with its recoverable amount.

#### **(i) Impairment of Cash Generating Assets**

An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less cost to sell and its value in use, and it is determined for an individual asset, unless does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or the cash generating unit exceeds its recoverable amount, the asset is considered impaired and it is written down to its recoverable amount. Any impairment loss or gain is immediately recognized in surplus or deficit.

When the estimated impairment loss exceeds the carrying amount of the asset to which it relates, Council recognizes a liability if it is required by another standard.

In computing the value in use, the estimated future cash flows are discounted to their present value using discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

## **IMPAIRMENT OF NON-FINANCIAL ASSETS – CONT'D**

In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of financial performance in those expense categories consistent with the nature of the impaired asset.

### **(ii) Impairment of Non-cash Generating Assets**

An asset's recoverable service amount is the higher of the non-cash generating asset's fair value less costs to sell and its value in use. Where the carrying amount of an asset exceeds its recoverable service amount, the asset is considered impaired and is written down to its recoverable service amount.

The depreciated replacement cost approach has been adopted by Council, where the present value of the remaining service potential of an asset is determined as the depreciated replacement cost of the asset. The depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The fair value less cost to sell is the market value/price less cost of disposal based on the best available information. An individual assessment of asset is carried out at each reporting date to identify any indication that previously impairment loss may no longer exist or may have decreased. An estimation of the asset's recoverable service amount is carried out. A previously recognized impairment loss is reversed only when there has been a change in the assumptions used to determine the asset's service amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount does not exceed its recoverable service amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior year. The reversal is recognized in the statement of financial performance under other gain/loss.

### **(i) FINANCIAL INSTRUMENTS**

All financial instruments are initially measured at fair value plus or minus and in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Certain short-term receivables and payables are measured at the original invoice amount at initial recognition, if the effect of discounting is immaterial.

## **FINANCIAL INSTRUMENTS – CONT'D**

### **(i) Financial Assets**

Financial assets are recognized on the date that Council is committed to purchase or sell the asset and/or date on which the assets are transferred or delivered. The Council's financial assets include: cash and cash equivalent; term deposits; trade and other receivables; loans and other receivable; and inventories.

Financial assets are classified as:

- a) Subsequently measured at amortised cost,
  - b) Fair value through net assets/equity or
  - c) Fair value through surplus or deficit on the basis of both the management model for financial assets and the contractual cash flow characteristics of the financial asset.
- (a) A financial asset is measured at amortized cost if the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- (b) A financial asset is measured at fair value through net assets/equity if the financial asset is held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- (c) A financial asset is measured at fair value through surplus or deficit unless it is measured at amortized cost in accordance with Para (a) above or at fair value through net assets/equity in accordance with Para (b).

Financial assets or part of it is derecognized: firstly, when the right to receive cash flows from the asset have expired or is waived. Secondly, when Council has transferred the right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full to a third party. Thirdly, when Council has transferred substantially all the risks and rewards of the assets and/or Council has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the consideration received is recognized in surplus or deficit.

On disposal, the cumulative gain/loss previously recognized in net assets/equity is transferred to surplus or deficit together with the net difference between the carrying amount and consideration received.

## **FINANCIAL INSTRUMENTS – CONT'D**

### **Financial Assets – Cont'd**

#### **➤ Loans to Employees**

Loans to employees are provided to purchase motor car/motor cycle in line with the Pay Research Bureau recommendations. Loans are repayable in 84/72/18/15 monthly installments and an equal amount of interest is payable at the rate of 4% per annum during the loan period. After its initial measurement such assets are subsequently measured at amortised cost using the effective interest method less any impairment loss. For concessionary loans, the difference between the fair value and the loan is recognized as expenditure. However, if a present obligation exists, an asset is recognized and as the present obligation is satisfied, the liability is systematically reduced by an equal amount recognized as expense.

#### **Impairment of financial assets**

Loss allowance is measured at an amount equal to lifetime expected credit losses for Receivables that result from exchange and non-exchange transactions and lease Receivables.

An impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized, is recognised in surplus or deficit

#### **(ii) Financial Liabilities**

A financial liability is recognised in the Statement of Financial Position when, and only when, the Council becomes party to the contractual provisions of the instrument. Except for short-term payables, at initial recognition, a financial liability is measured at its fair value plus or minus, in the case of a financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

After initial recognition, a financial liability is measured at amortized cost or irrevocably designated a financial liability as measured through surplus or deficit.

**FINANCIAL INSTRUMENTS – CONT'D**

**Financial Liabilities – Cont'd**

**The Council's financial liabilities include the following:**

- **Interest Bearing Loans and Borrowings (loan)**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus/deficit when the liabilities are derecognized as well as through the amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

Interest-bearing loans and borrowings that are expected to be settled within 12 months after the reporting are classified as current liabilities.

- **Concessionary Loans**

Concessionary loans are granted to or received by the Council at below market terms. Below market terms result from interest concessions. Examples: loans from Government

As concessionary loans are granted or received at below market terms, the transaction price on initial recognition of the loan may not be its fair value. At initial recognition, the Council therefore analyses the substance of the loan granted or received into its component parts, and accounts for those components.

The Council assesses whether the transaction price represents the fair value of the loan on initial recognition by determining the fair value of the loan. Where an entity cannot determine fair value by reference to an active market, it uses a valuation technique. Fair value using a valuation technique is determined by discounting all future cash receipts using a market-related rate of interest for a similar loan.

Any difference between the fair value of the loan and the transaction price is treated as follows:

- (a) Where the loan is received by the Council, the difference is accounted for in accordance with IPSAS 23
- (b) Where the loan is granted by the Council, the difference is treated as an expense in surplus or deficit at initial recognition.



## **FINANCIAL INSTRUMENTS – CONT'D**

### **Financial Liabilities – Cont'd**

#### **De-recognition of financial liabilities**

A financial liability (or a part of a financial liability) is de-recognised (removed from the Statement of Financial Position) when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged, waived, cancelled or expires.

The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in surplus or deficit.

If part of a financial liability is repurchased, the previous carrying amount of the financial liability is allocated between the part that continues to be recognized and the part that is derecognized based on the relative fair values of those parts on the date of the repurchase. The difference between (a) the carrying amount allocated to the part derecognized and (b) the consideration paid, including any non-cash assets transferred or liabilities assumed, for the part derecognized is be recognized in surplus or deficit.

#### **(j) TRADE AND OTHER PAYABLES UNDER EXCHANGE TRANSACTION**

All known trade payables are recognized at cost value. They are classified as current liabilities if payment is due within one year. Otherwise, they are presented as non-current liabilities. Short term payables may be measured at the original invoice amount if the effect of discounting is immaterial.

#### **(k) PREPAYMENTS**

Prepayments are recognized as financial liabilities when payment for goods or services has been made advance by clients or suppliers in of obtaining a right to access those goods or services.

The Council recognizes prepayments in relation to the following: rent, services.

Deposit by clients are released after the clients terminate the contract or undertakings within the term of the agreement, otherwise if the clauses of agreement are defaulted and/or infringed then the Deposit is confiscated to make good the impact of the defaults clause.

#### **(l) SERVICE CONCESSION ARRANGEMENT ASSETS AND LIABILITIES**

Service concession assets are assets that are operated by third party against payment under Service Concession Arrangement. The Council has adopted IPSAS 32 "Service Concession Arrangement Assets" and as at the reporting date there is no such asset in its property, plants and equipment which needs reclassification in line with the Standards.

**(m) PROVISIONS**

Provision is recognized if, as a result of a past event, the Council has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefit or service potential will be required to settle the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties required to settle the present obligation. When the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement, for example under an insurance contract.

**(n) LOANS AND BORROWINGS**

Borrowings are recognized initially at fair value, net of transaction costs incurred. Interest bearing loans and borrowings are subsequently stated at amortized cost using the effective interest method. Any gain or loss derived from the difference between the proceeds and the redemption value is recognized in the surplus or deficit in the statement of financial performance over the period of the borrowings. Borrowing from government bearing concessionary rate of interest is subsequently measured at amortised cost using the effective interest method and the concessionary interest payment is recognized as a deferred revenue and released to the surplus/deficit in the statement of financial performance systematically.

**(o) INVENTORIES**

Inventories are measured at cost upon initial recognition. Inventory received free or at nominal cost in a non-exchange transaction is recognized at fair value at the date of acquisition.

- Raw materials are accounted at purchase cost using the weighted average cost method.
- Work-in-progress and finished goods are accounted at cost of direct materials plus labour cost and a proportion of overheads based on the normal operating capacity, but excluding borrowing cost.

After initial recognition, inventory is measured at the lower of cost and net realisable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price or the market price less the estimated costs of completion of the sale, exchange or distribution.

**(o) INVENTORIES (CONT'D)**

Inventories are stated at weighted average value or weighted average price of lots of items where balance of the lot is greater than zero. Value for the item of stock is the cost charged by supplier. The Council values inventories at weighted average cost since all the items are interchangeable between departments. The Council practices the first in first out basis (FIFO) for the issue of stock items and stock items are replenished when the balance reaches nearly zero and as such the weighted average value equate the replacement cost (Fair value). Inventories are recognized as an expense when issued for utilization and consumption in the provision of services and administration of the Council. Inventories written-off is recognised as an expense.

**(p) CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprise cash at bank net of overdraft, cash in hand, short term deposits with a financial institutions and highly liquid investment with a maturity period of not exceeding three months which is readily convertible into cash and is not subject to significant risk of change in value. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value.

**(q) RECEIVABLES FROM EXCHANGE TRANSACTION AND NON-EXCHANGE TRANSACTIONS**

Receivables from exchange transactions are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of receivable is established when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of the receivables.

Receivables from non-exchange transactions comprises: trade fees, grant-in-aid, advertising fees, any penalties associated with these activities and as well as any other benefit receivables that do not arise out of a contract. These receivables are initially recognized at the amount normally receivable that reflect the trade and advertising fees. Subsequently, the amount receivables are adjusted for surcharge and tested for impairment.

**(r) CONTINGENT LIABILITIES**

The Council does not recognize a contingent liability, but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources is remote.

**(s) CONTINGENT ASSETS**

The Council does not recognize a contingent asset, but discloses details of any possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Council in the notes to the financial statements.

**(t) EMPLOYEE RETIREMENT BENEFIT**

**(i) State Plan**

The Council contributes 6 % of the gross emoluments of part-time employees and employees who are not on a permanent and pensionable establishment to the National Pension Fund. The Council also contributes 2.5% of the gross emoluments of all employees to the National Savings Fund. These contributions are directly expensed in the surplus/deficit in the statement of financial performance in the year they are due.

**(ii) Defined Contribution Plan**

Defined contribution plans are post-employment benefit plans under which the District Council pays fixed contributions (12% of gross emoluments) into another entity, the State Investment Company of Mauritius Limited ("SICOM Ltd"), for new full-time employees who joined the Local Authorities from 1 January 2013 onwards. The District Council has no further payment obligations once the contributions have been paid. These contributions are expensed in the surplus/deficit in the statement of financial performance in the year they are due.

**(iii) Retirement Pension to Retirees Before 1 July 2008**

The Council pays retirement pension to those employees who retired before 1 July 2008. However, the total pension liabilities should be recognized in the statement of Financial Position even for those before June 2008, where there was no contribution by employee and employers to meet the foreseeable liabilities of the employee.

The obligation has been calculated by independent actuaries from SICOM Ltd and the accounting policy is as per the defined benefit plan.

The pension is expensed in the surplus / deficit in the statement of financial performance in the year they are due.

**(iv) Compassionate Allowance**

In accordance with the Local Authority Employees (Allowance) Regulations 1964 (GN 159 of 1964) the Council also pays Compassionate Allowance to part time employees who have been in service for more than 5 years on their retirement. This has been computed based on the number of year of services up to the year end, average annual wage for the last 5 years.

**EMPLOYEE RETIREMENT BENEFIT – CONT'D**

(v) Defined Benefit Plan

The Council operates a defined benefit plan, administered by and invested with SICOM Ltd. The pension plan is funded by payment of contribution to the fund (Council: 12% of gross emoluments and employee: 6% of gross emoluments) taking account of the recommendations of the Pay Research Bureau (PRB) report.

Defined benefit plans are post-employment benefit pension plans other than defined contribution plans. Defined benefit plans typically define the amount of benefit that an employee will receive on or after retirement, dependent on factors such as years of service and compensation.

The liability recognised in the statement of financial position in respect of a defined benefit pension plan is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation has been calculated by independent actuaries from SICOM Ltd using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields on bonds.

Actuarial gains and losses arising from changes in actuarial assumptions are credited/charged to equity in the statement of changes in equity in the period when they arise.

Past service costs are recognised immediately in the statement of financial performance.

(vi) Bank of Sick Leave

Employee entitlements to bank sick leave as defined in the PRB report are recognized as and when they accrue to employees. An accrual is made for the estimated liability for bank sick leave. Bank of sick leave are expensed in the period the employee renders the service and a liability is recognized in respect of amount not paid at the end of the financial year.

(vii) Unutilized Vacation Leave

Employee entitlements to vacation leave as defined in the PRB report are recognized as and when they accrue to employees. An accrual is made for the estimated liability for unutilized vacation leave. Vacation leaves are expensed in the period the employee renders the service and a liability is recognized in respect of amount not paid at the end of the financial year.



**EMPLOYEE RETIREMENT BENEFIT – CONT'D**

(viii) Compassionate Allowance

Compassionate allowance is recognized as a liability and an expense for part-time employees of the village councils. The allowance is payable on retirement from service based on the average salary of five last year multiplied by the number of year of service.

(ix) Termination Benefits

Termination benefit is recognized as a liability and an expense when the Council is demonstrably committed to terminate the employment of one or more employees before the normal retirement date or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

The difference between the benefit provided for termination of employment at the request of the employee and a higher benefit provided at the request of the entity is a termination benefit.

A liability in relation to termination benefits are recognized at the earlier of: when the entity can no longer withdraw the offer of those benefits and when the entity recognizes costs for a restructuring that is within the scope of IPSAS 19 and involves the payment of termination benefits.

Termination benefits are measured on initial recognition and subsequent changes are recognized in accordance with the nature of employee benefit, provided that, in cases where the termination benefits are an enhancement to post-employee benefits, the requirements for post-employment benefits are applied. Termination benefits settled within 12 months are reported at the amount expected to be paid, otherwise they are reported as the present value of the estimated future cash outflows.

**(u) Social Benefits**

Social benefits are cash transfers provided to specific individuals or household who meet eligibility criteria to mitigate the effect of social risks. Such benefits may cover an unemployment benefits, child benefits, medical aid, social aid and old age pension which is not covered under the employees retirement benefit.

**(v) NATURE AND PURPOSE OF RESERVES**

The Council creates and maintains reserves in terms of specific requirements for payment of passage credit and revaluation reserve is met for the recognition of fixed asset in the financial statements at nominal value or for free transfer. Any recognition or de-recognition of such land transferred to Council is accounted through the land revaluation reserve.

**Passage Fund Reserve**

Enacted under Section 81 of the Local Government Act 2011, a passage fund has been created by the Council to finance the payment of passage benefit to officers transferred from other Local Authorities, from the public service, from a statutory body or from any other institution.

In compliance with the Section 81(5) of the LGA 2011, all income derived from investment of the unutilized passage benefit payable to employees of the Council is transferred to equity under the item passage fund reserve in the statement of change in net assets/equity.

**Fair Value Reserve**

The gain or loss on re-measurement of investment property at each subsequent reporting date being a non-realizable and non-distributable surplus, it is disclosed under a fair value reserve in the statement of changes in assets and equity of the financial statements.

**Property Revaluation Reserve**

The first-time recognition at fair value of land and property acquired in a non-exchange transaction from the Central Government or private entities for maintenance and administration purpose only without transfer of ownership are disclosed in the financial statement under the property revaluation reserve in the statement of changes in assets / equity separately to the general fund for a fair and true presentation of the financial statements.

**(w) BORROWING COSTS**

Borrowing costs directly attributable to the acquisition, construction or manufacture of qualifying fixed assets, which are assets that necessarily take substantial period of time to get ready for their intended use are added to the cost of those fixed assets, until such time as the assets are substantially ready for their intended use.

Investment income earned on the temporary investment of the specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Otherwise all other borrowing costs are recognized in the statement of financial performance in the period in which they are incurred.

The interest rate payable on the government loan is fixed at 5% throughout the repayment period.

**(x) SEGMENT REPORTING**

A segment is a distinguishable activity or group of activities for which it is appropriate to separately report financial performance to evaluate past performance in achieving objectives and in making decisions about future allocation of resources.

Segments are reported in a manner consistent with the budget and monitoring reported to the parent Ministry and board of Councillors. The Ministry and Council are responsible for allocating financial and non-financial resources and assessing performance of the operating segments.

Administrative and provision of services are reported separately as two different segments in line with the budget approved by the government.

**(y) RELATED PARTIES**

Related parties are entities that control or have significant influence over the reporting entity and parties that are controlled or significantly influenced by the reporting entity.

Members of key management are regarded as related parties and comprise the Chief Executive, Deputy Chief Executive, Head of Departments, District Councillors, members of Executive Committee and Permit and Business Monitoring Committee.

The Ministry of Local Government and Ministry of Finance and Economic Development are also regarded as related parties given that they have significant financial and operational influences over the council day to day operation. Land, property, plants and equipment are transferred to Council free of charge.

**RELATED PARTIES (CONT'D)**

The Village Councils are managed and significantly influenced by its Chairperson, Vice-Chairperson and Village Councillors, given that they are separate legal entities as per local Government Act 2011. The District Council is responsible for overseeing the administration and management of funds. The District Council and its officers have no significant influence over the decision-making process of the Village Councils. The expenditure of Village Councils are disclosed under grant and subsidies in one line.

**(z) EVENT AFTER THE REPORTING DATE**

Events after the reporting date are those events that occurs between the reporting date and the date the audited financial statements are authorized for issue. Adjusting events are those that provide evidence of conditions that existed at the reporting date which require adjustment to the financial statements. Non-adjusting events are those that are indicative of conditions that arose after the reporting date which do not require adjustment of financial statements.

**(aa)BUDGET INFORMATION**

Budget information of local authorities are required to be made readily available for public inspection under section 85(e) of the Local Government Act 2011.

The annual budget estimates are prepared and approved by Council on the accruals basis and same are submitted to the parent ministry for its approval in compliance with Section 85 of the LGA 2011. The Minister approved the estimates in consultation with the Local Authorities Governance Unit of the Ministry of Finance and Economic Development with or without amendment.

During the financial year, the Council carried out monthly budget monitoring exercise to identify the need for any additional funding and a final revised budget estimates was submitted with expected expenditure and revenue for the ministerial approval.

Any difference between revised and actual expenditure and income is provided in the notes to the financial statements. The explanation gives the reasons for overall growth or decline in the budget and detail information of overspending and/or underspending on line items.

The budget and the financial statements are prepared using the accrual basis, however the presentation of the budget is based on line budgeting while the financial statements are prepared on the accruals basis using the nature based classification, IPSAS compliance and including the capital expenditure.

On the other hand, the budget estimates are approved by government on the accrual basis excluding capital expenditure and other projects related expenditures. The capital budget and specific purpose expenditures are approved separately during the financial year.

A comparison of budget and actual amounts, prepared on comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

The Council is not exposed to timing difference and equity difference, but exposed to basis difference, differences due to format, classification and under-provision leading to overspending.

**4 Critical Accounting Estimates, Assumption and Judgements in Applying Accounting Policies and Estimates**

The preparation of the financial statements in conformity with IPSAS requires the District Council to make certain accounting estimates and judgements that have an impact on the policies and the amounts reported in the financial statements. Estimates and judgements are continually evaluated and based on historical experiences and other factors, including expectations of future events that are believed to be reasonable at the time such estimates and judgements are made, although actual experience may vary from these estimates.

The estimates and assumptions that have a significant risk of causing adjustment to carrying amounts of assets and liabilities are discussed below:

(i) Going Concern

Local authorities are financially and economically dependent on the Central Government for its operation and service provision to the citizen. The Council is of the view that the Central Government will continue to support district and municipal councils financially in the future through grant-in-aid appropriated by the National Assembly.

(ii) Provisions, Contingent liability and Contingent Asset

Provisions are measured at the management's best estimation of the potential financial obligational based on past event and available information at the reporting date. Contingency liability arises when there is a possible obligation to be confirmed by a future event that is outside the control of the Council, and it is disclosed in the notes to financial statements.

(iii) Provision for Bad Debts

Provision is made when there is objective evidence that the District Council will not be able to collect certain debts. This is made based on detailed analysis and historical experience.

(iv) Useful Economic Life and Residual Values

The economic useful life and its residual value is assessed based on the nature of the asset, its susceptibility and adaptability to changes in technology and process; the environment where the asset is deployed; expert advice; financial capacity to replace the asset; and change in the market in relation to the asset.

(v) Fair Value Estimation

Financial assets and financial liabilities recognized in the statement of financial position are derived from the active market based on the market price. In the absence of an active market the fair value is determined using valuation techniques such as discounted cash flow model. The inputs to the models are obtained from the market, otherwise judgment is required in establishing fair value. Judgement includes the consideration of inputs like liquidity risk, credit risk and volatility. Any change in assumptions may affect the fair value of the assets and liabilities.

(vi) Defined Benefit Obligations

The present value of the post-employment pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions such as discount rate, expected salary increase and mortality. Any change in these assumptions will impact the carrying amount of pension obligations.

(vii) Change in accounting policies

Any effect of change in accounting policies is applied retrospectively. The effect of changes in accounting policy are applied prospectively if retrospective application is impractical.

## **5 Financial Risk Management**

The District Council is exposed to financial, credit and liquidity risks. The overall risk management of the District Council is focused on the mitigation of liquidity and credit risks, and seek to minimize potential adverse effects on the financial performance and service delivery of the Council.

(i) Financial Risk

The only financial assets that Council may have are cash, cash equivalents and short-term bank deposit while the financial liability, other than its supplier liabilities, is its bank overdraft.

(ii) Interest Risk

Council does not have assets and liabilities that are materially exposed to any change in interest rate.

(iii) Credit Risk

Credit risk arises from credit exposures to customers. The Council does not consider the need to have an independent rating of its customers. In fact, no trade fee receipt is issued on credit while three-month credit facilities are allowed to holders of market stall in principle.

(iv) Liquidity risk

Liquidity risk is the risk of the Council not being able to meet its obligations as they fall due. Council's approach to managing liquidity risk is to ensure that sufficient liquidity is available to meet its liabilities when due, without affecting service provision to citizen. Prudent liquidity risk management implies maintaining sufficient cash on demand to meet expected operating expenses through a good monitoring of credit facilities from suppliers, the use of cash flow forecast and monthly budget monitoring.



## NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019

### 6 PROPERTY, PLANT AND EQUIPMENT

	<u>Land</u>	<u>Building</u>	<u>Public Infrastructure</u>	<u>Computer &amp; Equipment</u>	<u>Furniture, Fixtures &amp; Fittings</u>	<u>Motor Vehicles</u>	<u>Asset under construction</u>	<u>Total</u>
	<u>RS</u> 0%	<u>RS</u> 5%	<u>RS</u> 20%	<u>RS</u> 25%	<u>RS</u> 20%	<u>RS</u> 20%	<u>RS</u> 0%	<u>RS</u>
<b>Depreciation Rate:</b>								
<b>COST:</b>								
As at 01 July 2017	48,242,289	27,493,476	87,752,437	14,662,744	2,695,379	26,558,587	14,827,042	222,231,954
Additions	23,169,865	13,309,458	31,047,565	2,322,907	3,358,094	-	2,413,560	75,621,449
Transfer	-	14,675,881	-	-	-	-	(14,675,881)	-
<b>As at 30 June 2018</b>	<b>71,412,154</b>	<b>55,478,815</b>	<b>118,800,002</b>	<b>16,985,651</b>	<b>6,053,473</b>	<b>26,558,587</b>	<b>2,564,721</b>	<b>297,853,403</b>
As at 01 July 2018	71,412,154	55,478,815	118,800,002	16,985,651	6,053,473	26,558,587	2,564,721	297,853,403
Additions	1,799,696,496	1,019,570	61,736,120	1,684,652	466,034	-	790,372	1,865,393,244
Scrap	-	-	(3,325,800)	-	-	-	-	(3,325,800)
<b>As at 30 June 2019</b>	<b>1,871,108,650</b>	<b>56,498,385</b>	<b>177,210,322</b>	<b>18,670,303</b>	<b>6,519,507</b>	<b>26,558,587</b>	<b>3,355,093</b>	<b>2,159,920,847</b>
<b>ACCUMULATED DEPRECIATION:</b>								
As at 01 July 2017	-	10,856,145	34,071,289	9,353,100	1,475,607	19,158,288	-	74,914,429
Charge for the year	-	5,617,493	23,405,677	3,934,762	1,780,810	4,596,482	-	39,335,224
<b>As at 30 June 2018</b>	<b>-</b>	<b>16,473,638</b>	<b>57,476,966</b>	<b>13,287,862</b>	<b>3,256,417</b>	<b>23,754,770</b>	<b>-</b>	<b>114,249,653</b>
As at 01 July 2018	-	16,473,638	57,476,966	13,287,862	3,256,417	23,754,770	-	114,249,653
Charge for the year	-	5,583,685	33,216,829	2,870,444	536,317	1,373,345	-	43,580,620
Disposal/Scrap	-	-	(3,325,800)	-	-	-	-	(3,325,800)
<b>As at 30 June 2019</b>	<b>-</b>	<b>22,057,323</b>	<b>87,367,995</b>	<b>16,158,306</b>	<b>3,792,734</b>	<b>25,128,115</b>	<b>-</b>	<b>154,504,473</b>
<b>Carrying Value</b>	<b>-</b>							
As at 30 June 2019	1,871,108,650	34,441,062	89,842,327	2,511,997	2,726,773	1,430,472	3,355,093	2,005,416,374
As at 30 June 2018	71,412,154	39,005,177	61,323,036	3,697,789	2,797,056	2,803,817	2,564,721	183,603,750

**Note:**

The net book value of the fixed assets approximate their fair values and / the carrying amount.

All the fixed assets were acquired out of non-exchange government grant without any condition. All land, property, plant and equipment were vested for maintenance purpose without any title deed.

Land belonging to Ministry of Housing and Lands have been vested to the Council for its maintenance and administration purpose. These land have been recognised at fair value which equate the market value.

Land found within a residential zone and in the village centre have been valued at Rs 150,000 per perch, roads at Rs 100,000, cemeteries and cremation ground at Rs 100,000. Land situated in the coastal zone and in highly commercial areas have been valued at Rs 200,000 to Rs 500,000 per perch based on the location.

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019

6 PROPERTY, PLANT AND EQUIPMENT (Continued)

FOR FIXED ASSETS ACQUIRED AFTER JULY 2008 AND BEFORE 31 DECEMBER 2012

Capital Outlay of Ex-PRDC ( Fixed Assets )

	<u>Building</u>	<u>Public Infrastructure</u>	<u>Computer &amp; Equipment</u>	<u>Furniture, Fixtures &amp; Fittings</u>	<u>Motor Vehicles</u>	<u>Other</u>	<u>Total</u>
	<u>RS</u>	<u>RS</u>	<u>RS</u>	<u>RS</u>	<u>RS</u>	<u>RS</u>	<u>RS</u>
<u>RATE</u>	<u>5%</u>	<u>20%</u>	<u>25%</u>	<u>20%</u>	<u>20%</u>	<u>20%</u>	
	<u>Building</u>	<u>Public Infrastructure</u>	<u>Computer &amp; Equipment</u>	<u>Furniture, Fixtures &amp; Fittings</u>	<u>Motor Vehicles</u>	<u>Other</u>	<u>Total</u>
Net Book Value as at 30 June 2017	7,540,681	-	-	-	-	-	7,540,680
Depreciation charged	2,401,013						2,401,013
Net Book Value as at 30 June 2018	5,139,668	-	-	-	-		5,139,667
Depreciation charged							
Net Book Value as at 30 June 2019	5,139,668	-	-	-	-	-	5,139,667

Capital Outlay and its corresponding Capital Grant Applied of the Ex-Pamplemousses/Riviere du Rempart District Council was distributed equally.

## NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019

### 7 INVESTMENT PROPERTY

	2019	2018
<u>Land</u>	<u>RS</u>	<u>RS</u>
As at 01 July	-	-
De-recognised during the year	-	-
Recognised during the year	113,010,873	-
Fair Value adjustment	-	-
<b>As at 30 June</b>	<b>113,010,873</b>	<b>-</b>
<u>Building</u>		
As at 01 July	-	-
De-recognised during the year	-	-
Recognised during the year	52,261,989	-
Fair Value adjustment	-	-
<b>As at 30 June</b>	<b>52,261,989</b>	<b>-</b>
	<b>165,272,862</b>	<b>-</b>

Land and buildings have been recognised at its fair value at the reporting date which equate the market value for similar property and or the replacement cost of similar property. The gain on fair value is recognised under fair value reserve in the statement of changes in net asset / equity.

(i) Rental revenue from the investment properties for FY18/19 have been recognised in surplus or deficit and are as follows:

	<u>RS</u>
Riviere du Rempart Market	1,489,800
Petit Raffray Multipurpose Complex	193,000
Cafeteria Building	200,000
Fish Shop Building - Riviere du Rempart	12,000
	<u>1,894,800</u>

(ii) Direct operating expenses (including repairs and maintenance) arising from investment property during the period amounted to Rs 370,180

The fair value of the investment property at 30 June 2019 has been arrived at on the basis of a valuation carried out by the officers of the Public Infrastructure Department of the Council. The valuation was based on the market cost for the construction of similar building and properties. The construction cost of the Mapou Village Hall was used as base. Land was valued at the market price of similar property located nearby to the Council property.

**8 INTANGIBLE ASSETS**

	<b>2019</b>	<b>2018</b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
<b>Cost</b>		
As at 01 July	402,938	402,938
Addition	-	-
As at 30 June	<u>402,938</u>	<u>402,938</u>
<b>Depreciation</b>		
As at 01 July	341,319	240,585
Charge for the year	<u>55,992</u>	<u>100,734</u>
As at 30 June	<u>397,311</u>	<u>341,319</u>
<b>Carrying Value</b>	<u><u>5,627</u></u>	<u><u>61,619</u></u>

Intangibles includes depreciated cost of application and office software, and office licenses.

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019

<b>9 INVESTMENTS</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Long term investments	<u>732,252</u>	<u>732,252</u>
It relates to fixed deposits held with financial institutions presently having floating interest rate of 2.3%. The maturity date is 27 February 2020.		
<b>10 CASH AND CASH EQUIVALENT</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Cash in Hand	9	8
Cash at Bank	<u>45,864,635</u>	<u>25,315,314</u>
	<u>45,864,644</u>	<u>25,315,322</u>
Amount available for Capital Projects	-	-
<b><i>The amount of significant cash and cash equivalent balance held by the Council that are not available for use by the Council are:</i></b>		
Deposits from third parties	9,468,912	8,835,825
Retention Monies payable to contractors	4,745,970	6,462,911
Employees liabilities	<u>12,967,639</u>	<u>11,269,668</u>
	<u>27,182,521</u>	<u>26,568,404</u>
Funds available/(short) to settle trade payables	<u>18,682,123</u>	<u>(1,253,082)</u>
<b>11 RECEIVABLES</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
<b>( i ) RECEIVABLES FROM EXCHANGE TRANSACTIONS</b>		
Market Fee	5,928,289	5,019,189
Bus Toll	2,011,850	1,895,575
Other receivables	<u>118,906</u>	<u>1,954,349</u>
	<u>8,059,045</u>	<u>8,869,113</u>
Allowance for impairment	<u>(2,049,850)</u>	-
Net receivables from exchange transactions	<u>6,009,195</u>	<u>8,869,113</u>
Allowance for impairment includes provision for impairment on market fee debtors amounting to Rs 1,628,050 and bus toll debtors amounting to Rs 183,600		
<b>( ii ) RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS</b>		
Advertising Fee	520,200	551,875
Advance to Employees	2,995,314	3,507,020
Government Grant	14,280,382	21,002,118
Trade fees	129,645,575	-
Other receivables	<u>209,650</u>	<u>69,000</u>
	<u>147,651,122</u>	<u>25,130,013</u>
Allowance for impairment	<u>(130,167,575)</u>	-
Net receivables from non-exchange transactions	<u>17,483,547</u>	<u>25,130,013</u>
Non-Current Receivables	<u>2,219,961</u>	<u>2,795,901</u>
Current Receivables	<u>15,263,585</u>	<u>22,334,112</u>
Allowance for impairment includes provision for impairment on surcharge on bus toll debtors amounting to Rs 91,800 and advertising fees amounting to Rs 430,200.		
Advance to Employees refers to car loan granted to employees and the balance as at 01 July 2018 have been fair valued using an effective rate of 7.66% following early adoption of IPSAS 41.		

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019

**11 RECEIVABLES (CONTINUED)**

**RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS (CONTINUED)**

<b>Advance to employees</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Balance at Start	3,507,020	2,753,155
Fair value adjustment ( <i>refer to Note below</i> )	(430,520)	-
New Borrowing	449,610	1,286,885
Repayment	(701,514)	(533,020)
Increase in discounted amount during the period	170,718	-
Balance at Close	<u>2,995,314</u>	<u>3,507,020</u>
Nominal value of loan	3,255,116	3,507,020
<u>Receivable as follows:</u>		
<b>Current</b> - Before One Year	775,353	711,119
<b>Non-current</b> - After One Year	2,479,763	2,795,901

**12 INVENTORIES**

	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Street Lanterns with Brackets	757,874	253,080
Gas	459,113	327,721
Spart Parts, Stationery, Materials, Gas and Other	5,862,235	8,297,760
Office Consumables		
Provision for write-off of obsolete items	(942,116)	(942,116)
	<u>6,137,106</u>	<u>7,936,445</u>

Inventories recognised as an expense during the year ended 30 June 2019 amounted to Rs 20,588,164 (2018 - Rs 10,251,255).

Items of stocks under the Inventories are valued at weighted average using the First In First Out basis.

**13 PAYABLES**

	<b><u>2019</u></b>	<b><u>2018</u></b>
<b>( i ) Trade payables from exchange transactions</b>	<b><u>RS</u></b>	<b><u>RS</u></b>
Trade payables	16,204,479	17,882,081
Retention money payable	4,745,970	6,462,911
Accrued expenses	7,152,623	6,804,752
	<u>28,103,072</u>	<u>31,149,744</u>
<b>( ii ) Prepayment</b>		
Rent, bus toll, advertising and school fees paid in advance	<u>826,400</u>	<u>303,000</u>
<b>( iii ) Deposits</b>		
Deposit refundable on demand from market stall holders and contractors	<u>8,642,512</u>	<u>8,532,825</u>
	<u>37,571,984</u>	<u>39,985,569</u>



NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019

<b>14 BORROWINGS</b>	<b>2019</b>	<b>2018</b>
	<b>RS</b>	<b>RS</b>
Balance at Start	12,474,000	13,398,000
Fair value adjustment ( <i>refer to Note below</i> )	(743,640)	-
Reimbursement	(924,000)	(924,000)
Increase in discounted amount during the period	99,071	-
Balance at Close	<u>10,905,431</u>	<u>12,474,000</u>
<u>Payable as follows:</u>		
<b>Current</b> - Before One Year	<u>830,370</u>	<u>924,000</u>
After One Year and Before Five Years	3,383,025	3,696,000
After Five Years	<u>6,692,036</u>	<u>(4,620,000)</u>
<b>Non-Current</b>	<u>10,075,061</u>	<u>(924,000)</u>
<b>Nominal value of loan</b>	<b>11,550,000</b>	<b>12,474,000</b>
<u>Payable as follows:</u>		
<b>Current</b> - Before One Year	<u>924,000</u>	<u>924,000</u>
After One Year and Before Five Years	3,696,000	3,696,000
After Five Years	<u>6,930,000</u>	<u>7,854,000</u>
<b>Non-Current</b>	<u>10,626,000</u>	<u>11,550,000</u>

The borrowing comprising of loan from the central government is unsecured. The loan is repayable in instalments by 30 June 2032. Interest is fixed at 5%. IPSAS 41 has been early-adopted in FY18/19 and the Government loan balance as at 01 July 2018 has been fair valued accordingly using an effective market rate of 6.26% based on the market average rate of interest.

<b>15 PROVISIONS</b>	<b>2019</b>	<b>2018</b>
	<b>RS</b>	<b>RS</b>
Interest accrued on the capital of Rs 72.9 M award to Alphamix Ltd	<u>444,698,595</u>	<u>438,634,098</u>
	<u>444,698,595</u>	<u>438,634,098</u>

Provision comprises of compounded interest accrued on the capital of Rs 72.9M. On 31 December 2018, the arbitrator made a final award to Alphamix Ltd for the payment of compounded interest on the capital of Rs 72.9 Million at the rate of 15.33% per annum from 10 October 2005 till 03 May 2018, and thereafter at the rate of 3.5% per annum on interest accrued from 04 May 2018 till payment date. Interest payable as at 30 June 2019 amount to Rs 444,698,595.

<b>16 DEFERRED INCOME</b>	<b>2019</b>	<b>2018</b>
	<b>RS</b>	<b>RS</b>
Government grant deferred	238,609,211	216,347,150
Public Contribution and donation deferred	<u>4,640,177</u>	<u>3,796,077</u>
	<u>243,249,388</u>	<u>220,143,227</u>

A liability has been recognised in respect of the condition attached to the grant and contribution. The related revenue will be recognised in surplus or deficit in the period the condition is satisfied.

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019**

<b>17 EMPLOYEE BENEFIT OBLIGATION</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Provision for Unutilised Sick Leave Pay	33,734,522	30,929,187
Provision for vacation leave pay	31,595,586	30,916,537
Passage benefit	9,267,297	7,996,023
Provision for Retirement pension and gratuity	228,446,065	231,612,002
	<u>303,043,470</u>	<u>301,453,749</u>
Current Liabilities	<u>13,974,309</u>	<u>3,363,764</u>
Non-Current Liabilities	<u>289,069,161</u>	<u>298,089,985</u>

Provision for retirement benefit includes provision for unutilised vacation leave, provision for bank of sick leave and provision for compassionate allowance payable on retirement to eligible employees.

<b>17 EMPLOYEE RETIREMENT BENEFIT OBLIGATION</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
<b>Amounts recognised in balance sheet at end of period/year:</b>		
Defined benefit obligation	344,966,476	334,115,537
Fair value of plan assets	<u>(117,518,641)</u>	<u>(103,501,765)</u>
Liability recognised in statement of financial position at end of year	227,447,835	230,613,772
<b>Amounts recognised in income statement:</b>		
Service cost:		
Current service cost	8,702,754	8,542,422
Past service cost	-	-
(Employee contributions)	(3,842,535)	(3,758,170)
Fund Expenses	314,777	225,463
Net Interest expense/(income)	14,606,596	16,059,967
Profit Loss Charge	<u>19,781,592</u>	<u>21,069,682</u>
<b>Re-measurement:</b>		
Liability (gain)/loss	(4,007,999)	(10,459,467)
Assets (gain)/loss	<u>1,236,799</u>	<u>(2,388,903)</u>
Total Other Comprehensive Income (OCI) recognised	<u>(2,771,200)</u>	<u>(12,848,370)</u>
<b>Total</b>	<b><u>17,010,392</u></b>	<b><u>8,221,312</u></b>

**Movements in liability recognised in balance sheet:**

At start of period/ year	230,613,772	242,049,734
Amount recognised in P&L	19,781,592	21,069,682
(Actuarial Reserves transferred in)	-	(104,094)
(Employer Contributions)	(7,683,847)	(7,514,994)
(Direct benefits paid by Employer)	(12,492,482)	(12,038,186)
Amount recognised in OCI	<u>(2,771,200)</u>	<u>(12,848,370)</u>
At end of period/year	227,447,835	230,613,772

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019**

**17 EMPLOYEE RETIREMENT BENEFIT OBLIGATION (CONTINUED)**

	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Actual return on plan assets:	5,707,057	8,521,670

The plan is a defined benefit arrangement for the employees and it is funded only for pensionable service as from 1 July 2008. The assets of the funded plan are held independently and administered by The State Insurance Company of Mauritius Ltd.

	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
<b>Reconciliation of the present value of defined benefit obligation</b>		
Present value of obligation at start of period/year	334,115,537	328,781,243
Current service cost	8,702,754	8,542,422
Interest cost	21,550,452	22,192,734
(Benefits paid)	(15,394,268)	(14,941,395)
Liability (gain)/loss	(4,007,999)	(10,459,467)
Present value of obligation at end of period/year	344,966,476	334,115,537

	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
<b>Reconciliation of fair value of plan assets</b>		
Fair value of plan assets at start of period/year	103,501,765	86,731,509
Expected return on plan assets	6,943,856	6,132,767
Employer contributions	7,683,847	7,514,994
Employee contributions	3,842,535	3,758,170
Actuarial Reserves transferred in	-	104,094
(Benefits paid, Assurance, Fees and Other Outgoings)	(3,216,563)	(3,128,672)
Asset gain/(loss)	(1,236,799)	2,388,903
Fair value of plan assets at end of period/year	117,518,641	103,501,765

**Distribution of plan assets at end of period/year**

<b>Percentage of assets at end of year</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Fixed Interest Securities and cash	58.70%	59.50%
Loans	3.40%	3.70%
Local equities	13.10%	14.60%
Overseas bonds and equities	24.20%	21.60%
Property	0.60%	0.60%
Total	100%	100%

**Additional disclosure on assets issued or used by the Council**

	<b><u>(%)</u></b>	<b><u>(%)</u></b>
Percentage of assets at end of period/year		
Assets held in the entity's own financial instruments	-	-
Property occupied by the entity	-	-
Other assets used by the entity	-	-

**Components of the amount recognised in net assets/equity**

	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Asset experience gain/(loss) during the period/year	(1,236,799)	2,388,903
Liability experience gain/(loss) during the period/year	4,007,999	10,459,467
	2,771,200	12,848,370

## NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019

### 17 EMPLOYEE RETIREMENT BENEFIT OBLIGATION (CONTINUED)

Year	<u>2018-19</u>
Expected employer contributions (Rs)	7,891,865
Weighted average duration of the defined benefit obligation (Calculated as a % change in PV of liabilities for a 1% change in discount rate)	12 years

The plan is exposed to actuarial risks such as : investment risk, interest rate risk, longevity risk and salary risk. The risk relating to death in service benefits is re-insured.

The cost of providing the benefits is determined using the Projected Unit Method. The principal assumptions used for the purpose of the actuarial valuation were as follows:

	<u>2019</u>	<u>2018</u>
Discount rate	6.45%	6.75%
	4.00%	4.00%
Future pension increases	3.00%	3.00%
Mortality before retirement	A 6770 Ultimate Tables	
Mortality in retirement	PA (90) Tables rated down by two years	
Retirement age	As per Second Schedule in the Statutory Bodies Pension Funds Act	

The discount rate is determined by reference to market yields on bonds.

Significant actuarial assumptions for determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based reasonably on possible changes of the assumptions occurring at the end of the reporting period.

- If the discount rate would be 100 basis points (one percent) higher (lower), the defined benefit obligation would decrease by Rs 38.6 M (increase by Rs 47.1 M) if all other assumptions were held unchanged.

- If the expected salary growth would increase (decrease) by 100 basis points, the defined benefit obligation would increase by Rs 19.6 M (decrease by Rs 17.3 M) if all assumptions were held unchanged.assumptions were held unchanged.

- If life expectancy would increase (decrease) by one year, the defined benefit obligation would increase by Rs 10.1 M (decrease by Rs 10.1 M) if all assumptions were held unchanged.

In reality one might expect interrelationships between the assumptions, especially between discount rate and expected salary increases, given that both depends to a certain extent on expected inflation rates. The analysis above abstracts from these interdependence between the assumptions.

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019

<b>18 RESERVES</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Balance at Start	63,582,485	51,244,535
Fair Value Reserve	165,272,862	-
Land Revaluation Reserve	1,796,574,352	12,051,198
Passage Fund	262,309	286,752
<b>Balance at Close</b>	<b><u>2,025,692,008</u></b>	<b><u>63,582,485</u></b>

*Reserves on the above items will not be re-classified subsequently to Surplus Or Deficit and they will be used for specific purpose.*

<b>19 TRADE FEES</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Annual trade fee received	18,843,925	20,634,350
Occasional trade fee received	27,050	35,000
	<b><u>18,870,975</u></b>	<b><u>20,669,350</u></b>

<b>20 FINES, PENALTIES AND LEVIES</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Surcharge on late payment of trade fee	683,875	745,750
Surcharge on bus toll	170,300	27,350
Building and Land Use Permit (BLUP) fines	400,000	-
	<b><u>1,254,175</u></b>	<b><u>773,100</u></b>

Under Section 127 A(5)(a) of the Local Government Act 2011 ( amended ) a fine of Rs 50,000 is payable for a construction without an appropriate Building and Land Use Permit or construction contrary to an approved permit and plans. Upon payment of the fine a permit is issued for construction already started.

<b>21 PUBLIC CONTRIBUTIONS AND DONATIONS</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Street Lantens Network	-	2,460,760
Sponsorship and donations in Kind	-	-
	<b><u>-</u></b>	<b><u>2,460,760</u></b>
<b>Unspent balance at beginning of year</b>	<b><u>3,796,077</u></b>	<b><u>1,335,317</u></b>
<b>Current year receipts</b>	<b><u>1,631,850</u></b>	<b><u>2,460,760</u></b>
Conditions met - Transferred to Revenue	<b><u>( 787,750 )</u></b>	<b><u>-</u></b>
<b>Conditions to be met - Deferred Revenue ( Liabilities )</b>	<b><u>4,640,177</u></b>	<b><u>3,796,077</u></b>

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019**

<b>22 GOVERNMENT GRANT</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Grant-in-aid	260,565,630	202,374,750
Project Related Revenue Grant	3,471,751	6,131,698
Project Related Capital Grant	62,537,610	128,986,847
Grant in Kind	-	4,904,796
	<u>326,574,991</u>	<u>342,398,091</u>
Transfer from deferred grant for condition met	1,163,526	-
Conditions attached to grant not met - Deferred Liabilities	( 1,102,870 )	( 1,432,978 )
Transferred to Deferred Income liabilities	<u>( 21,534,967 )</u>	<u>( 90,272,020 )</u>
<b>Grant recognised as revenue in surplus / ( deficit )</b>	<b><u>305,100,680</u></b>	<b><u>250,693,093</u></b>

Government grant comprises of gross inflows of economic benefits received and receivable, both of recurrent and capital nature. A liability has also been recognised in respect of the condition attached to the grant and related revenue will be recognised in the period the condition is satisfied.

<b>23 OTHER NON-EXCHANGE REVENUE</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Advertising Fee	328,110	1,633,060
Public Contributions	335,000	-
Road obstruction fee	167,000	244,000
Other Income	<u>3,553,270</u>	<u>-</u>
	<u>4,383,380</u>	<u>1,877,060</u>

Other income comprises of stale cheques amounting to Rs 840,766 which have been added back, long overdue creditors amounting to Rs 2,399,385 which have been written back and the fair value adjustment on early adoption of IPSAS 41 on concessionary loans. The fair value of the loans receivable and payable has been recomputed using effective rate of interest of 6.26%, and the net difference between the loan amount and the fair value of the loan on subsequent measurement has been recognised as non-exchange revenue in accordance with IPSAS 23.

<b>24 RENT INCOME</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Market Stall Fee	5,041,500	4,977,600
Rental Income	<u>628,162</u>	<u>595,420</u>
	<u>5,669,662</u>	<u>5,573,020</u>

<b>25 FINANCE INCOME</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Investment income	525,144	545,615
Interest on advance car loan to staff	270,100	93,976
Other income	<u>6,943,856</u>	<u>6,132,767</u>
	<u>7,739,100</u>	<u>6,772,358</u>

Interest generated from investment of passage fund amounting to Rs 262,309 (2018 - Rs 286,752) was transferred to passage reserve fund in equity.

Other finance income includes return on plan assets.



**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019**

<b>26 OTHER EXCHANGE REVENUE</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
School Fee	103,800	97,200
Bus Toll	1,194,000	1,212,300
Burial & Incineration Fee	771,100	782,050
Other	200,840	38,709
	<u>2,269,740</u>	<u>2,130,259</u>
<b>27 COMPENSATION OF EMPLOYEES</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Basic Salary and Salary Compensation	87,971,933	81,386,410
Overtime and Allowances	6,649,699	6,855,795
Uniform and Protective Equipment	2,269,899	1,624,539
Retirement benefits	6,128,786	5,012,520
Provision for Passage Benefit	3,438,033	2,986,893
Travelling and Transport	11,982,001	12,037,826
Training Cost	52,289	74,479
Provision for Unutilised Sick pay	4,084,752	6,626,648
End of Year Gratuity	7,566,253	8,297,658
Staff Welfare	231,194	184,896
	<u>130,374,838</u>	<u>125,087,664</u>
<b>28 UTILITIES</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Electricity	25,472,414	24,017,575
Water	627,474	648,168
Gas	1,480,063	1,444,214
Telephone	940,982	562,038
	<u>28,520,932</u>	<u>26,671,995</u>
<b>29 MOTOR VEHICLE EXPENSES</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Fuel and Oil	2,720,498	2,505,796
Repairs and Maintenance	1,145,116	1,337,577
Road tax and Insurance	505,568	-
	<u>4,371,182</u>	<u>3,843,373</u>
<b>30 REPAIRS AND MAINTENANCE</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Building, Village Halls and other Structure	945,608	549,319
Furniture, Fittings and Equipment	2,379,595	774,122
Roads and Traffic Sign	2,155,936	2,319,662
Street Lighting Networks	1,136,339	1,020,217
Sport and leisure facilities	336,044	203,579
Public Infrastructure and Community Assets	293,079	1,024,227
Cemeteries, Incinerators and Cremation Grounds	450,924	546,317
Other repair and maintenance	600,341	286,049
	<u>8,297,866</u>	<u>6,723,492</u>

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019**

<b>31</b>	<b>CLEANING SERVICES</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
		<b><u>RS</u></b>	<b><u>RS</u></b>
	Hired Scavenging Services	68,287,200	47,007,600
	Hired of Cleaning Equipment	704,100	318,900
	Cleaning of Public Toilets	444,260	396,580
	Cleaning of Drains, Rivers and Bareland	2,143,284	1,698,942
	E-Waste and Bulky Waste Collection	1,143,611	116,755
	Refuse bins	4,900,000	345
	Cleaning materials and other	272,577	645,231
		<u>77,895,032</u>	<u>50,184,353</u>
<b>32</b>	<b>GRANTS AND SUBSIDIES</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
		<b><u>RS</u></b>	<b><u>RS</u></b>
	Grant to Village Councils	12,906,886	10,656,342
	Grant to NGO's and Socio-Cultural Groups	252,777	250,000
	Grant to Sport Organisations	35,000	74,800
	Financial and Social Aid	100,490	99,175
	Contribution to ADC and ICLEI	304,790	254,040
		<u>13,599,943</u>	<u>11,334,357</u>
	Annual contribution of Rs 200,000 to the Association of District Councils ( ADC ) and the annual subscription of 3,000 USD to the International Council for Local Environment Initiatives (ICLEI ).		
<b>33</b>	<b>PROFESSIONAL AND LEGAL FEES</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
		<b><u>RS</u></b>	<b><u>RS</u></b>
	Audit fee	200,000	200,000
	Legal fee	582,980	3,721,656
	Professional and Consultancy fee	1,563,226	161,000
		<u>2,346,207</u>	<u>4,082,656</u>
<b>34</b>	<b>FINANCE COSTS</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
		<b><u>RS</u></b>	<b><u>RS</u></b>
	Loan Interest	736,164	681,450
	Other Interest	27,614,949	460,826,832
		<u>28,351,114</u>	<u>461,508,282</u>

A long term loan of Rs 42 M contracted from a commercial bank were purchased back by the Central Government and Council is required to pay back the capital together with the interest computed at the rate of 5% per annum. The loan will be fully paid by 25 June 2032.

Other interest includes interest with regards to Alphamix. At its meeting of 31 December 2018 the arbitrator made a final award to Alphamix Ltd for the payment of interest on the capital of Rs 72.9 Million at the rate of 15.33% per annum till 03 May 2018 and at the rate of 3.5% per annum on interest accrued from 04 May 2018 till payment date. Interest payable as at 30 June 2019 amount to Rs 444,698,595.

Other interest also includes interest cost on defined benefit plan managed by SICOM, classified under finance cost, as per IPSAS 39.

**NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019**

<b>35 OTHER GOODS AND SERVICES</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Printing, Postage & Stationery	1,371,407	1,194,646
Press Notice and Publications	256,152	208,803
Books and Periodicals	226,425	223,945
Committee expenses	193,651	153,074
Chairperson entertainment	94,145	90,085
Bank charges and fee	44,186	57,732
Security services	1,739,950	1,331,700
General Insurance	306,476	234,190
Rent payable	120,000	120,000
Organisation of Activities <b>Note 35</b>	2,726,461	2,914,848
Overseas Travelling and Allowances	-	300,000
Sundry Expenses	88,803	171,061
Provision for bad debts	2,333,750	-
Provision for write-off of inventories	-	942,116
Other Office Incidentals	313,194	20,161
	<u>9,814,599</u>	<u>7,962,361</u>

Other office incidentals includes an amount of Rs 304,382 incurred in connection with the inauguration of Petit Raffray Multipurpose Complex.

Provision of Rs 942,116 has been made to write-off obsolete stock items.

<b>36 ORGANISATION OF ACTIVITIES</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Organisation of Social and Welfare Activities	405,649	387,205
Organisation of Cultural and National Activities	1,036,586	1,869,515
Organisation of Sport and Leisure Activities	1,092,456	466,503
Twinning Activity	113,256	140,759
Educational Activity	78,513	50,866
	<u>2,726,461</u>	<u>2,914,848</u>

## NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019

### 37 NOTES TO CASH FLOW STATAMENTS

	<u>2019</u>	<u>2018</u>
	<u>RS</u>	<u>RS</u>
Additions for non-cash consideration	1,815,827,432	35,805,670
Additons by cash/bank	49,565,812	39,815,779
	<hr/>	<hr/>
Additions as per Public Infrastructure, Plant and Equipment	1,865,393,244	75,621,449
	<hr/>	<hr/>
<b>Reconciliation of net cash flow from operating activites to deficit</b>		
<b>Deficit before other gain/loss</b>	(174,256)	(448,666,134)
<b>Adjustments for:</b>		
Finance income	(7,739,100)	(545,615)
Finance Charge	28,351,114	681,450
Impairment of receivables	2,049,850	-
Fair Value adj interest - IPSAS 29	(483,838)	-
Provision for Employee Retirement Benefit Obligation	(10,245,675)	1,412,408
Depreciation of Fixed Assets and Intangible Assets	43,580,620	38,714,828
	<hr/>	<hr/>
	55,338,714	(408,403,063)
<b>Changes in Working Capital</b>		
(Increase)/Decrease in Inventories	1,799,339	(4,281,559)
Increase/(Decrease) in Payables	(22,024,895)	(9,030,367)
Increase/(Decrease) in Deferred liabilities	27,014,074	12,407,226
Increase/(Decrease) in Provisions	-	432,832,111
(Increase)/Decrease in Receivables	4,179,222	(4,953,999)
(Increase)/Decrease in Work-In-Progress	-	12,262,321
Increase/(Decrease) in Employee Benefits	-	(12,373,280)
	<hr/>	<hr/>
<b>Net cash flow from operating activities</b>	66,306,454	18,459,389
	<hr/>	<hr/>

### 38 RELATED PARTY DISCLOSURES

(a) Local Authorities ( including District Councils ) are controlled by the Ministry of Local Government.

(b) Related party disclosures have not been made for transactions with related party that are:

(i) Within a normal supplier or client/recipient relationship,

(ii) Transactions with the Ministry, Central Government and other government agencies are not disclosed as related party transactions when they are on normal terms and conditions consistent with the normal operating arrangement between government agencies.

(iii) The Central Government is excluded from the disclosure requirement given that the Council is financially and economically dependent on the government grant.

(iv) Village Councils falling under jurisdiction of the District Council are excluded on the basis that they are financially dependent on the latter.

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019

**38 RELATED PARTY DISCLOSURES (CONTINUED)**

**(c) Key Management Personnel Compensation**

The key management personnel are the members of Council or Board of Councillors, who together constitute the governing body of the District Council and any other persons having the authority and responsibility for planning, directing and controlling the activities of the Council.

	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Chairperson of District Council	759,720	586,839
Vice-Chairperson	326,838	302,615
Executive committee members	1,012,426	937,050
Permit and Business Monitoring Committee Members ( PBMC )	293,400	168,210
District Councillors	2,708,927	2,719,833
<b>Remuneration of Councillors</b>	<b>5,101,311</b>	<b>4,714,547</b>
Chief Executive	1,382,440	1,380,890
Head of Departments & Deputy Chief Executive	4,868,525	5,299,307
	<u>11,352,276</u>	<u>11,394,744</u>

The Executive Committee is responsible for the approval of procurement of goods and service for values above Rs100,000 subject to the procedures and exceptions laid in section 160 of the Local Government Act  
The PBMC is responsible for the determination and approval of Outline Planning Permissions and Building and Land Use Permits.

**39 COMMITMENTS**

**(i) Preferential loan from the Central Government**

Government loan of Rs 43 M was granted payable over 20 years semi-annually starting on 25 December 2012 in equal instalments, together with 5% interest per annum payable as from 26 June 2009 semi-annually until 30 June 2032. Payment is deducted at source, ie, at the Accountant-General Office.

	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>RS</u></b>	<b><u>RS</u></b>
Payment due within one year	1,518,969	1,614,560
Payment due within two to five years	6,899,068	7,131,033
Payment due later than five years	7,708,094	8,995,099
	<u>16,126,131</u>	<u>17,740,692</u>

**(ii) Council as lessor**

Future minimum lease income under non-cancellable operating leases

Due within one year	600,000	200,000
Due within two and three years	1,200,000	400,000
	<u>1,800,000</u>	<u>600,000</u>

The land and building at Pereybere Beach was let to be used as restaurant for a period of three years and renewable under the provision in the Local Government Act 2011. The property is maintained by the tenants at no cost to the Council. The rent chargeable has been increased to Rs 50,000 per month as from 01 July 2019.

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019

39 COMMITMENTS (CONTINUED)

(iii) Capital Commitments

**Approved but not yet contracted:**

Public Infrastructure	409,200,000	296,700,000
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**Approved and Contracted**

Public Infrastructure	8,382,500	29,842,189
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**Total Capital Commitments**

417,582,500	326,542,189
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A capital grant of Rs 317.4 Million has been approved under the Local Development Project for the construction of a new market fair including a traffic centre at Belmont, Goodlands. Contract will be awarded in October 2019; Rs 50 M has also been approved for the construction of a Multipurpose Complex at La Clemence, Riviere du Rempart; Rs 24 M has been approved for community assets under Local Development Fund 2019-20.

Fund was approved and contracts were awarded for the construction of drains, stage décor at Petit Raffray Multipurpose Hall, construction of block wall with fencing at Cottage and MUGA project with the collaboration of Mauritius Telecom at Goodlands.

40 CONTINGENCIES

The Council is a defendant in several legal actions involving the non-issue of building and land use permit, cases on illegal construction, for the non-payment of trade fee and bus toll.

The entity has contingent liability in respect of legal claim arising out of the arbitration final award issued on 31 December 2018. The contingent liability amount to compound interest of 15.33% p.a on the sum of Rs 72,921,570 on a daily basis for the period 10 October 2005 to 03 May 2018 plus interest on the interest accrued for the said period at the legal rate of 3.5% p.a as from 04 May 2018 up to the date of payment. In January 2019 Council made an application to the supreme court to quash " *Recours en Annulation* " the award made by the arbitrator.

41 EVENTS AFTER REPORTING DATE

As at the date of approval of the financial statements no such post balance sheet event was known which may materially affect the financial reporting and the fair and true view of the financial statements with the exception of the above contingencies.



## NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2019

### 42 COMPARATIVE INFORMATION

Certain comparative figures and numbers were re-classified to conform to the current year presentation. Such re-classifications have no effect on the previously reported surplus or deficit or the equity of the Council.

#### (i) Property, Plant and Equipment

Land has been regrouped under Property, Plant and Equipment. Work-in-progress has been classified as Assets under Construction under Property, Plant and Equipment.

#### (ii) Reserves

Re-measurement of defined benefit liability has been recognised under equity instead of Retirement Benefit Obligation Reserve.

#### (iii) Accumulated Depreciation

Buildings recognised in 2014 have been depreciated for FY2015, six months ended 30 June 2016, FY2016/17 and FY2017/18.

#### (iv) Deferred Income

In FY2016/17, the Council had changed its policy and recognised all Government Grant under revenue. The deferred Grant has been reclassified to Deferred Income.

#### (v) Rental Income

Rental income was received for Cap Malheureux School Building with respect to FY2017/18.

	Amount as previously reported	Reclassification	Accumulated Depreciation on buildings	Reclassification of Government Grant to Deferred Income	Rental income	Restated amount	Effect on Accumulated Surplus/ (Deficit)
	<b>2017/18</b>						
Property, Plant and Equipment	120,745,541	73,976,875	(11,596,574)	-		183,125,842	(11,596,574)
Land	71,412,154	(71,412,154)	-	-		-	
Work-in-Progress	2,564,721	(2,564,721)	-	-		-	
Receivables from exchange transactions	8,857,113	-	-	-	12,000	8,869,113	12,000
Non-exchange deferred Income	14,528,942	-	-	205,614,285		220,143,227	(205,614,285)
Accumulated Deficit	(590,734,418)	(16,994,337)	(11,596,574)	(205,614,285)	12,000	(824,927,615)	
Reserves	46,110,240	16,994,337				63,104,577	(16,994,337)
							<u>(234,193,197)</u>

### 43 APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the full Council and authorised for its issue at its meeting of 27 September 2019.