



ANNUAL REPORT

JULY 2019 TO JUNE 2020

TABLE OF CONTENTS

	PAGE
<i>The Chairman's Statement</i>	1
<i>The Chief Executive's Statement</i>	3
<i>Mission/Purpose, Vision and Values</i>	4
<i>The District Council of Rivière du Rempart: History & Profile</i>	5
<i>Membership of Council for July 2019 to June 2020</i>	7
<i>Membership of Committees for July 2019 to June 2020</i>	8
<i>Membership of Village Councils</i>	13
<i>Administrative Team for July 2019 to June 2020</i>	23
<i>Roles & Functions of Committees</i>	24
<i>Remuneration / Allowances of Councillors</i>	27
<i>Operational & Service Delivery Plan</i>	28
<i>Financial Position and Performance</i>	84

THE CHAIRPERSON'S STATEMENT



First and foremost, I am thrilled to have the opportunity to address my statement once again in the Annual Report as Chairperson of the District Council of Riviere du Rempart. Being Chairperson for more than six years has led me to understand the depth, complexity and diversity of our District.

Our District is growing fast, and the chance to play a part in shaping who we are, what we do and what we want to be reputed for in our society is something that brings the excitement and zeal within me.

As a Local Authority, we are one of the closest representatives of the Government to the people whereby we want to make the difference by tackling important challenges and great opportunities.

I do believe good governance is about inculcating our precious values, showing respect towards each other and our conduct amidst the society. The Economics are essential but not to deny that our values are primordial.

As a respected Council, we have taken oath to cater for the benefits of our citizens by making the right decisions.

The next coming years will be very challenging. The District Council's unique disposition inspires us as a team to work hard to achieve our goals. We derive great satisfaction by bearing in mind the benefits acquired by our citizens from our social investments.

Moreso, it is a good time to reflect upon what we have achieved and map out a program of work to improve our strategies in ensuring a better future for our District.

Unfortunately we have been struck by a scourge, the Covid-19 pandemic. Covid-19 has changed our lifestyle and has brought about human suffering and death and has taken a huge toll on the global economy.

In addition to strained health systems in many countries, the Covid-19 pandemic has had an unprecedented socio economic effect on the lives of people particularly on the most vulnerable ones.

Undeniably, our economy is victim of the financial and social disruption caused by the pandemic. However, despite a limited budget, our Council has maintained some of our events calendar by providing scavenging services and maintenance of street lighting.

The Council collaborated with the Government by providing a disinfection service to all public places, public buildings, bus stops, bus shelters, traffic centres, assisted officers of the Ministry of Commerce in price control and in food distribution.

Due to Covid-19 certain projects have been delayed, but the Government has exceptionally granted a carry over of projects up December 2020.

By next year, the Council will have a new market at St Antoine with a capacity of 480 vegetable stalls, 430 general merchandise stalls, 24 food court, 22 non veg stalls, 18 handicraft. The project is inclusive of a traffic centre which comprises bus stands, holding area for buses and taxi stands.

The creation of a modern market will obviously lead to road decongestion, create additional stalls and provide ample facilities to the residents of the District area.

The Council has also seen the completion of several projects and vital Community Infrastructure, viz completion of LDP (2019-2020), extension of street lighting network (2 million), fixing of lanterns (2 million), construction of parking and fencing at Petit Raffray Multipurpose Hall (5 million), construction of futsal nearly completed (6 million), upgrading of Boolaky Stadium (Rs500,000), upgrading of electrical network at Riviere du Rempart Traffic Centre (Rs700,000) for a safer and sustainable country.

As we gear up to become a resilient District Council, it is important that we are smart about how we plan for the infrastructure and social needs for our future generation. We are working hand in gloves with the Central Government to implement various projects under the Covid-19 fund (94 million), resurfacing of roads, lighting of football grounds, mini soccer pitches, upgrading of market including implementation of fire certificates in all public buildings, upgrading of cremation ground etc.

With the right leadership, partnership and relationships, the District Council of Riviere du Rempart will continue to grow and thrive, and all this with a smile on our face.

Prembhoodass ELLAYAH
Chairperson District Council

THE CHIEF EXECUTIVE'S STATEMENT



The Annual report for financial year 2019/2020 is being presented for your perusal. It is well-known that financial year 2019/2020 has been a difficult year in the wake of Covid-19 whereby the Council had to adapt to the then prevailing situation. It is worth mentioning that the public at large have been comprehensive and collaborative.

I wish to put on record the contribution of all staff who have contributed in one way or other to combat the propagation of Covid-19. A special thought to the unflinching support of the Public Health Department at operative level for providing a regular scavenging service. They have also been involved in:

- (i) Disinfecting bus shelters and bus stops.
- (ii) Entertaining all requests for burials and incinerations.
- (iii) Disinfection of markets and compliance with Covid Protocol.
- (iv) Assisting Consumers Protection Division for control of price.

The staff have also been involved in the distribution of food vouchers in collaboration with the Prime Minister's Office to the needy households.

There is a synergy among all departments to meet the objectives of the Council. The achievements as mentioned in the report is due to their concerned effort and sense of commitment.

I shall encourage them to continue on this path to improve welfare of the inhabitants within the District Council Area.

Last but not least I am thankful to the Chairperson, Mr P. Ellayah and the District Councillors for their decision taking process for the benefit of the Council.

Vinaye THAKOOR
Chief Executive

MISSION/PURPOSE, VISION & VALUES

The District Council of Rivière du Rempart is a body corporate established under the laws of Mauritius. According to the Local Government Act 2011, a District shall, for the purposes of local government, be administered by a local authority which shall be known as a District Council. Each District Council shall be responsible for overseeing the administration of the villages respectively assigned to it in Part A of the Fourth Schedule of the LGA 2011 and thus the District Council of Rivière du Rempart has under its jurisdiction 19 villages.

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

The District Council of Riviere du Rempart was created as a separate body corporate under the LGA 2011, but officially established in 2013 following the split of the then District Council of Pamplemousses/ Rivière du Rempart.

The Riviere du Rempart district is located in the north-east part of Mauritius, covering an area of 147.6 km² (57.0 sqm) with a population of more than 108,000.

The nineteen villages under the jurisdiction of the Riviere du Rempart district are:

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 eran (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*

Membership of Council for period July 2019 to June 2020

Section 7(1) of the Local Government Act 2011 provides for all districts to be administered by a District Council for the purposes of local government.

The District Council of Rivière du Rempart has the responsibility to manage related matters of concern to the district of Rivière du Rempart which has under its jurisdiction **19** villages in all.

These 19 villages are each represented by **one** District Councillor except for villages of Goodlands, Rivière du Rempart and Grand Baie which have **two** representatives in view of their relatively larger population.

The 22 Members constituting the Council in year 2019/2020 were as per the table below:

S/N	VILLAGE COUNCIL OF:	DISTRICT COUNCILLOR	REMARKS
1	AMAURY	NEETHALIA Kaveetah	
2	AMITIE/GOKHoola	ASYRIGADOO Ramoortee	
3	BELLE VUE MAUREL	SEETAH Niteen Bose	
4	CAP MALHEUREUX	CHRISTOPHE Joseph Jims	
5	COTTAGE	ELLAYAH Prembhoodas - Chairman D/C	
6	ESPERANCE TREBUCHET	AWOOTAR Baboo Roopesh Kumarsingh	
7	GOODLANDS	(i) KANHYE Sama (Mrs)	Up to December 2019
		(i) TORABALLY Sheik Bashir	As from January 2020 (following demise of Mrs Kanhye)
		(ii) KOOBARAWA Deokumar - Vice Chairman	
8	GRAND BAIE	(i) GOORYE Basant	
		(ii) MOGUN Dharmendra	
9	GRAND GAUBE	FANFAN James Jacques	
10	MAPOU	MOHES Bizlall	
11	PETIT RAFFRAY	CHUCKUN Goorooduth	
12	PITON	RAGNUTH Kevin Ragoonath	
13	PLAINES des ROCHES	RAMSURN Doopen	
14	POUDRE d'OR VILLAGE	RAMDUTH Jasveer	
15	POUDRE d'OR HAMLET	AHOTAR Geeanlall	

16	RIVIERE du REMPART	(i) BOYRAMBOLI Teeruthrajsingh	
		(ii) APPADU Ashish Rao	
17	ROCHE TERRE	FULLEE Somdath	
18	ROCHES NOIRES	ARJOON Bhooneshwarsing	
19	The VALE	BUGLOO Nizam	

In compliance with provisions of the Local Government Act 2011, the Council is required to hold its ordinary meetings at least once monthly, apart from special meetings which are scheduled in case required.

The Council met at **09** meetings during the period **July 2019** to **June 2020**, implying a decrease in the number of meetings as compared to the previous Financial Year 2018/2019.

This is explained by the inability of the Council to schedule the monthly meetings for March, April and May 2020 due to the sanitary lockdown which was declared following the outspread of the COVID-19 pandemic.

The businesses of the Council are monitored and ensured through different statutory and working committees.

The Local Government Act 2011 mandates for the setting up of the following statutory committees:

- Executive Committee
- Permits and Business Monitoring Committee
- Procurement Committee and the
- Safety and Health Committee

Executive Committee

The Executive Committee is set up in accordance to Section 47 of the Local Government Act 2011. Comprised of the Chairman of the Council as Chairperson, the Vice Chairman of the Council along with five other Members appointed by the Chairman, the **Executive Committee** has for responsibility, the procurement of goods and services above Rs 100,000.

From July 2019 to June 2020, the following Members constituted the Executive Committee which met at **17** sittings.

Sn	Member	Remarks
1	Mr P. Ellayah	Chairman
2	Mr D. Koobarawa	Vice Chairman
3	Mr Asyrigadoo R	
4	Mr Fanfan J J	
5	Mrs Neethalia K	
6	Mr Ragnuth K	
7	Mr Ramduth J	

Permits and Business Monitoring Committee

The function of the Permits and Business Monitoring Committee is essentially to examine and determine applications made for Outline Planning Permissions (OPP) and Building and Land Use Permits (BLUP).

On basis of provisions made under Section 115 (3) (a) of the Local Government Act 2011 which empowers the PBMC to schedule its meetings as often as necessary, the District Council of Rivière du Rempart generally held weekly meetings. Hearings are equally scheduled in the case of particular applications where objections have been raised.

The following Members formed the Executive Committee for period July 2019/2020 which met at **42** sittings and on **15** occasions for the purpose of hearings.

Sn	Member	Designation
1	Mr P. Ellayah	Chairman D/C
2	Mr Appadu A. R.	District Councillor
3	Mr Bugloo N	District Councillor
4	Mr Ramduth J	District Councillor
5	Mr Ramsurn D	District Councillor
6	Mr Gopaul D	Chief Executive
7	Mr Hosenally Y	Head, Land Use and Planning Department
8	Mr Langur N	Chief Health Inspector
9	Mr Juggoo T	Civil Engineer/Ag. Head, Public Infrastructure Department

Procurement Committee

The promulgation of the Public Procurement Act has entailed the mandatory setting up of the Procurement Committee at the District Council. The function of the committee is mainly to determine all issues pertaining to the procurement of goods and services.

The Procurement Committee is constituted of:

- the Chief Executive or the Deputy Chief Executive as **Chairperson**;
- the Financial Controller or his deputy;
- one Head of Department.

The committee is empowered to take decisions related to procurement of goods and services where for an amount of up to Rs 100,000.00. Exceeding this amount, the Procurement Committee then makes recommendations to the Executive Committee which has the prerogative to decide on such matters.

The Procurement Committee met on **42** occasions during July 2019 to June 2020.

Safety and Health Committee

In accordance with Section 21 of the Occupational Safety and Health Act 2005, the District Council of Rivière du Rempart has set up its Safety and Health Committee constituted of **04** representatives of the Management and **04** representatives of employees.

Scheduling its meetings generally on a bi-monthly basis, the Safety and Health Committee met on **06** occasions during period July 2019 to June 2020.

Working Committees

Apart from the above-mentioned Statutory Committees and as empowered by the Local Government Act 2011, the Council has set up the following working committees for the purpose to monitor its day to day business.

- Welfare Committee
- Public Infrastructure Committee
- Public Health Committee

A Chairperson and Vice Chairperson were appointed for each committee which held its meetings on a more or less monthly basis.

Being given that these three committees did not have delegated powers, recommendations made at each of their meetings were regularly forwarded for Council's approval as decisions proper.

(i) Welfare Committee

For period July 2019 to June 2020, the Welfare Committee was constituted of:

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

As per the Term of Reference approved at its initial meeting, the Welfare Committee was mainly concerned with matters regarding:

- Organisation of sports, social, cultural and welfare activities as well as national competitions.
- Public libraries and pre-primary schools
- Maintenance of sport infrastructure, equipment, gardens and public places – (mowing mainly)

During period July 2019 to June 2020, the Welfare Committee met on **08** occasions. No meeting of this committee was scheduled in December 2019 while meetings were held in January, February and March 2020 during the first half of year 2020. This is explained by the announcement of the sanitary lockdown as from March to May 2020.

(ii) Public Infrastructure Committee

Sn	Member	Remarks
1	Mr P. Ellayah	Chairman D/C
2	Mr D. Koobarawa	Vice Chairman D/C
3	Mr B. Arjoon	Chairman of Committee
4	Mr K Ragnuth	Vice Chairman of Committee
5	Mr G. Ahotar	District Councillor
6	Mr A. R. Appadu	District Councillor
7	Mr R Asyrigadoo	District Councillor
8	Mr N Bugloo	District Councillor
9	Mr D. Mogun	District Councillor
10	Mr J. Ramduth	District Councillor
11	Mr D. Ramsurn	District Councillor

Constituted of the above-named Members for period **July 2019 to June 2020**, the Public Infrastructure Committee met on **07** occasions.

No meeting was scheduled for the month of December 2019 and for unforeseen reasons, the one scheduled for January 2020 had to be re-scheduled and was subsequently held in February 2020.

Due to the COVID-19 pandemic outspread entailing a sanitary lockdown period in the island from mid-March to May 2020, meetings of the Public Infrastructure Committee were not held in April, May and June 2020.

The Public Infrastructure Committee was responsible to make recommendations for Council's approval on related matters including:

- general maintenance programme - buildings, kiosks, roads, bridges, drains, street and village name plates, benches etc.
- programme of maintenance of councils' plants and equipments - vehicles.
- provision and maintenance of street lighting.
- provision and maintenance of septic tank, absorption pits and other road infrastructure.

(iii) Public Health Committee

The main function of the Public Health Committee was to submit recommendations with regards to:

- scavenging programme for the District Council area; labour/equipments and identification of dumping grounds.
- upkeep of cemeteries, incinerators and cremation grounds.
- management of markets, fairs, hawkers, public toilets, traffic centres and places of public entertainment.

Two markets/fairs were under the purview of the Council, namely those found at the villages of Rivière du Rempart and Goodlands. It is to be noted that works for the construction of a new market/fair at Belmont, Goodlands, had started as a major project for the Council. However, the sanitary lockdown period hindered the smooth implementation of the project and disrupted related works.

The Public Health Committee was constituted of the following Members during period July 2019 to June 2020.

Sn	Member	Designation	Remarks
1	Mr P. Ellayah	Chairman D/C	
2	Mr D. Koobarawa	Vice Chairman D/C	
3	Mr J. Ramduth	Chairman of Committee	
4	Mr T. Boyramboli	Vice Chairman of Committee	
5	Mr A. R. Appadu	District Councillor	
6	Mr B. Arjoon	District Councillor	
7	Mr S. Fullee	District Councillor	
8	Mrs S. Kanhye	District Councillor	Up to December 2019.
	Mr S. B. Torabally	District Councillor	As from January 2020.
9	Mr B. Mohes	District Councillor	
10	Mrs K Neethalia	District Councillor	
11	Mr D. Ramsurn	District Councillor	

The constitution of the committee knew a change following the demise of Mrs S. Kanhye in December 2019. Councillor S. B. Torabally was appointed Member in January 2020.

The Committee met on **06** occasions with no meeting scheduled in November and December 2019 whereas meetings for April, May and June 2020 were not held due to the sanitary lockdown in the island.

Membership of Village Councils

The Village Council of Amaury

SN	MEMBERS
1	SUBDAR Mohammad Musin (Chairperson)
2	RUGHOOBUR Ajay Kumar (Vice Chairperson)
3	NEETHALIA Kaveetah (District Councillor)
4	BAHADOOR Shayat
5	BUNDHUN Rajeewoo Kumar
6	KANHYE Lutchmeeduth
7	HUMATH Krishnanand
8	PENGWAH Hazrat Osman
9	CURPEN Payendee

The Village Council of Vale

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

The Village Council of Amitie/Gokhoola

SN	MEMBERS
1	CONHYE Uma Devi (Chairperson)
2	HYDER Ratan (Vice Chairperson)
3	ASYRIGADOO Ramoortee (District Councillor)
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

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

The Village Council of Cottage

SN	MEMBERS
1	MUNGUR Sunil Dutt (Chairperson)
2	SABABADY Pillay Adarsh Varma (Vice-Chairperson)
3	ELLAYAH Prembhodas (District Councillor)
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

SN	MEMBERS
1	RANJAYA Ajay (Chairperson)
2	BANCHARAM Sattiajeet (Vice-Chairperson)
3	AWOOTAR Baboo Roopesh Kumarsingh (District Councillor)
4	GOUR Maudoo
5	MUNGROO Kavita (Mrs)
6	POONITH Soorash
7	POONITH Vishal
8	DODEE Anand
9	CHUMMUN Pradeep Kumar

The Village Council of Mapou

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

The Village Council of Piton

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

The Village Council of Poudre D'or Hamlet

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

The Village Council of Riviere du Rempart

SN	MEMBERS
1	GONOWREE Vikash (Chairperson)
2	KHANDHAI Deoduth (Vice Chairperson)
3	APPADU Ashish Rao (District Councillor)
4	BOYRAMBOLI Teeruthrajsingh (District Councillor)
5	BHOGUN Leckraj Vinay
6	GOBIN Dhanjaysing
7	JAITOO Sati Savitree (Mrs)
8	SEETOHUL Ravindra
9	AMOORDEN Louis Alan Richard

The Village Council of Poudre D'or

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

The Village Council of Goodlands

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

The Village Council of Grand Baie

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

The Village Council of Roches Noires

SN	MEMBERS
1	Yarrou Twaleboodeen Khan (Chairperson)
2	Santuck Prithiviraj (vice-Chairperson)
3	Bhooneshwarsing Arjoon (District Councillor)
4	Aukhajan Koosmowtee
5	Sookeera Ajay
6	Fokeera Beesamsing
7	Lall Gita
8	Sunyasi Latchanah
9	Preetyveeraz SEETHANNA

The Village Council of Petit Raffray

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

The Village Council of Plaine des Roches

SN	MEMBERS
1	MEEAJUN Taleyboodeen (Chairperson)
2	SHIBCHURN Tarkessowar (Vice-Chairperson)
3	RAMSURN Doopen (District Councillor)
4	SOOKNAH Bijay
5	RAMCHURN Narendra Sharma
6	BANCHARAM Kaviraj
7	BACHOO Priamvada
8	SAUHOBBOO Noorannee
9	BHOYROO Purshottam

The Village Council of Roche Terre

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

The Village Council of Grand Gaube

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

The Village Council of Cap Malheureux

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

ADMINISTRATIVE TEAM

For Period July 2019 to June 2020

Administration Department	
The Chief Executive	Mr Dheeraj GOPAUL
Deputy Chief Executive	Miss Laneetee MOHEEPUT (on pre-retirement with effect from 05 February 2020)
Assistant Chief Executive	Mr Thigupta SOOKUN Mr Sunjeev UBHEE
Local Disaster Management Coordinator	Mr Vipin HEERAH
Human Resource Management Officer	Mrs Anita CHUMROO up to 07 June 2020 Mrs Zeenat UL Firdaus JAUFURALLY KURMALLY with effect from 08 June 2020
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
Finance Department	
Financial Controller	Mr Randipsingh BULDEWO
Principal Accountant	Mr Deepack RAMSURUN
Public Infrastructure Department	
Head, Public Infrastructure Department	Vacant as at June 2020
Civil Engineer	Mr Tarachand JUGGOO
Chief Inspector of Works	Mr. Rajkumar DEENOO
Land Use & Planning Department	
Head, Land Use And Planning Department	Mr Yassim HOSENALLY
Planning and Development Officer	Mrs Dayawantee SIBURUTH
Public Health Department	
Chief Health Inspector	Mr Navindranath LANGUR
Principal Health Inspector	Mr Ravichand MADHUB
Welfare Department	
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 2019 to June 2020, the Council had held its meeting at least every month, as required by law. Council met on **9** 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 **17 sittings** from July 2019 to June 2020.

- **[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 **42** sittings from July 2019 to June 2020.

- **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 **42** sittings and also met on **15** occasions for Hearing from July 2019 to June 2020.

- **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 2019/2020, 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 2019 to June 2020, 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 **8** 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 **6** 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 **7** 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		

OPERATIONAL & SERVICE DELIVERY PLAN

With a view to develop, implement and monitor its strategic plans and provide services and facilities to the local community, the Council is divided into several departments to perform efficiently and effectively.

The departments are as follows:

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

However, all the related activities depend on the Council's financial capability.

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 2019/2020.

THE ADMINISTRATION DEPARTMENT

- ❖ *Internal Audit Section*
- ❖ *Library Service*
- ❖ *Occupational Health and Safety Section*
- ❖ *IT Section*
- ❖ *Local Disaster & Management Unit*
- ❖ *Central Registry*
- ❖ *Complaint Management*
- ❖ *Human Resource Section*
- ❖ *Procurement Section*

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.

The examination of claims and vouchers has been taken over by the Finance department and the Internal Control Section is performing a risk-based audit on the Internal Control System in operation, as lighted by the National Audit Office in the 2016/2017 report.

Audit works have been completed as per the program for the year 2019/2020 and expenditure have been audited prior to payments as follows:

Revenue

- IT control by Audit Section on licence fees, market fees as per the Local Government Act and the Regulations gazetted by the Council.
- Payment of Building and Land Use Permit fees as per client's application, issue of permit and floor area.
- On line payments (on a sample basis).
- Daily Cash and Cheque collection/deposit to bank.

Expenditure

- Verification of retiring benefits as per the Pay Research Bureau 2016 and the Pension Act.
- Payroll transactions – payment of overtime, travelling by bus, mileage, allowances, refund of annual sick leave and bonus, new appointment, transfer, resignations and assignment of duties as per PRB 2016 and HRMM.
- Auditing of Payment Vouchers for both the District and Village Councils as per FMMLA.

Others

- Spot check based on the daily program of works and material assets purchased.
- Carry out investigations and report to the Chief Executive on discrepancies.
- Corruption Risk Assessment on the request of ICAC on payment of mileage and allocation of overtime.
- End of year inventory for serviceable as well as unserviceable items
- Bank Reconciliations for all Village Councils.
- Variance analysis – payroll
- Controls on IT Systems (EBIZ, MOLG, NELS)

Auditors Report

In its report of 2016-2017, the Government Audit made the undermentioned remarks:

1. An annual work plan was not prepared

An annual work plan has thus been prepared and implemented in line with the Government Audit report.

2. The ICO/SICO was mostly in the pre-examination of claims and payment vouchers.

An Examination Unit has been set up in the Finance Department for pre examination of claims and payment vouchers. Consequently the Audit Section is now carrying out post audit as per the recommendation.

3. Inventory Sheet to be affixed in all offices.

Inventory sheets have been affixed in all offices with some specific details.

Library

In accordance with the Section 55 of the LGA, the residents are entitled to join the library free of charge.

The Abraham Lincoln Public Library thus provides a free useful service to the community by fostering education and disseminating information to all section of the society. The Council's Library provides services and up-to-date and authentic information on all subjects. The core duty of the library is:

Loans of books and magazines (issues, return, renewals by Phone & reservations also).

The library has dedicated services for each category of people as detailed below:

- “Junior Section” which has an estimated stock of 7000 books mainly in English and French,
- Reference Service consists of non-fiction books, Dictionaries, Encyclopedias and critical studies on English & French Literature for secondary school students.
- On spot Consultation (Books on specific subjects such as Management, Law, Business, Accounting
- Reading Room (Local Newspapers)
- Free Internet Services

Some achievements of the Council's Library during the year under review

1.

	<u>YEAR 2018-2019</u>	<u>YEAR 2019-2020</u>
<u>New Subscribers</u>	75	92
<u>No. of users visiting the Library (Monthly)</u>	416	522
<u>New Books</u>	327	412

2. 350 new exciting Books with Bestsellers were available for loan for our users.

3. Latest foreign and Local magazines were put on shelves on a fortnightly basis.

4. The Library has already set up a section meant for books & reading materials in relation to tertiary Education.

5. The Library has recently set up a law section. Foreign & Local Books are available for reference purpose only.

Occupational Health and Safety Section

1. Introduction

The District Council of Rivière Du Rempart is an organisation which gives paramount importance to the safety, health, and welfare of people at work.

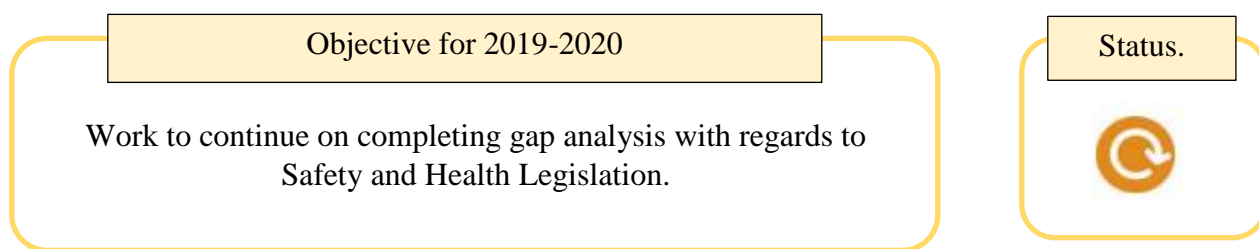
Our main purpose is to ensure the safety and health of employees and any other person who may be affected by the Council's activities, as well as to foster such a culture within the organisation.

2. Safety and Health Management System

19 Villages fall under the jurisdiction of the Council, including fixed assets such as village halls, children playground, football and volleyball pitches, incinerators, crematoriums and markets among others. All of these areas require advice, support and monitoring in the context of safety, health and fire risks.

Examples of the work that the safety officer is involved in at the level of the council includes, safety risk assessments, inspections, training, inquiring into injuries and providing technical advice where required amongst other duties.

One objective was the development of a Safety and Health Strategy to identify weaknesses in the current system and provide clarity for areas of improvement and highlight priority topics to be addressed. This project has remained an objective for the financial year 2019-2020 as it is a continuous ongoing process.




3. Occupational Safety and Health Committee.

The primary method of communication in respect of the Safety and Health issues is the Occupational Safety and Health Committee chaired by the Assistant Chief Executive, which has consistently met every 2 months, in compliance with Section 23 of the Occupational Safety and Health Act, 2005.

Sn	FY	Number of Committees held
i	2018 - 2019	6
ii	2019 - 2020	6

The Committee consisted of Staff- side representatives, management representatives, and has proven to be an effective forum for discussing safety and health issues, developing health and safety management systems.


Objective for 2019-2020	Status.
Safety and Health Committee to prioritise actions to correct hazards as soon as possible and to follow up corrective actions until they have been completed.	

4. Risk Assessment.

Risk assessment is a key tool in managing occupational safety and health in an organisation and gives employers a means to be proactive, to identify hazards and take action to remedy problems before they cause an accident or ill health. Moreover, it is a statutory requirement as per Section 10 of the OSHA, 2005 to perform these assessments.

Risk assessments have been performed in the following areas, namely Lorry Mounted Elevator, Refuse Collection, Asphalt Paving, Electricians, Mechanical Workshop and Garage, Various Offices. use of brush Cutter and strimmer, Cemeteries, Construction Sites, Chemicals and COSHH, Children Playground, Chemical Spraying etc.

The Council has embedded proactive systems designed to raise awareness, and as far as is reasonably practicable, prevent or reduce the risk of harm occurring through the above mentioned risk assessments. The aim is to continue the current progress in assessing safety and health risks across the organisation.


Objective for 2019-2020.	Status.
To audit and review whether the Council has an effective risk management system in place.	

5. Safety Inspections.

A review of the Council's Safety Inspection methods and frequencies was carried out.

Sn.	Period	Number of site visits effected
i	2018 -2019	69
ii	2019 - 2020	60

It is to be noted that site visits were not effected during the months of April and May 2020 due to the pandemic of the Covid – 19.

<p style="text-align: center;">Objective for 2019-2020.</p> <ul style="list-style-type: none"> - Achieve at least 75% completion of actions arising from Safety and Health inspections; - Implement monitoring of Safety and Health inspections compliance. 	<p>Status.</p> 
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6. Grievance Reporting Structure.

As part of HS policy, any employee may present a grievance related to Safety and Health practices through grievance forms which are available. Along with the grievance, a remedial action could be proposed as well by the grievant. Corrective Action/Preventive Action is taken as required and the grievant informed of the progress of work.

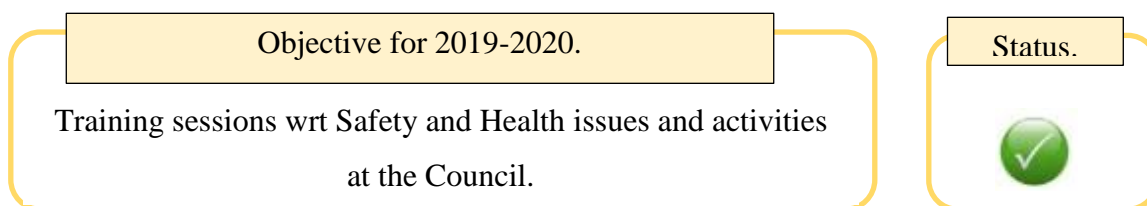
Sn.	Period	Number of grievances	Nature of issue	Outcome
i	2018 - 2019	6	<ul style="list-style-type: none"> • Request to limit unauthorised access through emergency exit; • Request for cleaning of roof top; • Obstructed electrical panel; 	Resolved

			<ul style="list-style-type: none"> • Delayed purchase of anti-mosquito spray; • Repair of defective air conditioners; • Inadequate ventilation in stores. 	
ii	2019 - 2020	6	<ul style="list-style-type: none"> • Late delivery of PPE to new entrant; • Provision of ladder for drain cleaning team; • Request for additional pest control; • Replacement of step ladder for painters; • Issue of glare in office. 	Resolved

It is noted that although the number of grievances had remained the same, the nature of grievances had changed.

7. Safety and Health Training/Awareness.

Training sessions are regularly organised with employees on site at various levels, including Scavenging Section, Masons, Groundsmen etc. This project goal has been reached for the FY 2019/2020.



It is to be noted that most training sessions had to be re scheduled or cancelled due to the Covid-19 Pandemic.

7.1 Fire Safety Awareness Training.



Date	14 th February, 2020.
Target Group	All DCRR Employees.
Facilitator	Mr Nawoor Piton Fire Station - Mauritius Fire and Rescue Service.
Duration	2 Hours

7.2 Training at CFAO Motors



Date	15 th June, 2020.
Target Group	DCRR Employees – Health Department.
Facilitator	CFAO Motors.
Duration	Half Day

8. Incident and accident Reporting.

At each Safety and Health Committee, the number of reported non-clinical incidents across the various Departments of the Council are discussed.

This financial year saw an overall reported total of 4 non-clinical incidents (First Aid issues) with a total of 28 man days' loss due to reported injury.

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

Incident category / Report year	2018/2019	2019/2020
Reportable accidents	0	0
Minor accidents	5	4
Reportable incidents	0	0
Reportable ill health	0	0
Man Days Loss	12	28

Objective for 2019-2020.

Work is ongoing by the Safety and Health Section to promote awareness on the requirements of reporting incidents within timescales set. Compliance will be monitored via the Occupational Safety and Health Committee.

Status.



9. Preventing Communicable Diseases.

The Council identified workers whose tasks may expose them to direct contact with dead animals, excreta etc. These workers are offered the Hepatitis B vaccine, administered by Nursing Officers of the vaccination unit – SSRN Hospital.

This vaccine confers lifelong immunisation against the clinical illness and new entrants concerned are being regularly verified for immunisation.

Objective for 2019-2020.

Medical surveillance and Hepatitis B vaccine offered to new recruits whose tasks may expose them to such communicable diseases.

Status.



10. First Aid arrangements.

First Aid kits were made available in all departments, including Council vehicles and these are regularly verified to ensure that they are fully stocked as per the First Aid Regulations, 1989.

Objective for 2019-2020.

Ensuring that First Aid care is given to an injured worker before professional medical help in a timely manner to preserve life, prevent any injuries from getting worse, and to help injured workers recover.

Status.



11. Tackling the Covid-19 at the DCRR

On 19 March 2020, the Prime Minister announced that the country would be under "sanitary" lockdown. At the District Council of Rivière Du Rempart, the Refuse Collection Team resumed work on Friday 20th of March, 2020 and the following provisions were made:

March 2020

<i>Sn</i>	<i>Item</i>	<i>Quantity</i>
1.	Face Masks	3,750 Units
2.	Sanitiser	50 Lts
3.	Alcohol for lorry cabin cleaning	8 Lts

April 2020

<i>Sn</i>	<i>Item</i>	<i>Quantity</i>
1.	Face Masks	1,250 Units
2.	Sanitiser	50 Lts
3.	Alcohol for lorry cabin cleaning	8 Lts
4.	Disposable Gloves	4,000 Units

May 2020

<i>Sn</i>	<i>Item</i>	<i>Quantity</i>
1.	Face Masks	1,500 Units
2.	Sanitiser	20 Gallons
3.	Hand Held Thermometer	3 Units

Protective Equipment were provided to the following grades:

- Refuse Collectors;
- Burial Ground Attendants;
- Incinerator Operators;
- Drivers;
- Handy Workers;
- Other staff involved in the response team for Covid 19.

Administrative staff at the head office have been provided with washable face masks, disposable gloves and sanitising solution.

Temperature readings are also taken at the time they walk in the office and before proceeding to their workstation.

Some of the measures taken at the DCRR with respect to response to the Covid 19 are shown below:



Figure 1.0 : Social Distancing and marking in place at the DCRR Head Office.



Figure 2.0 : Provision of sanitising gel.



Figure 4.0 (b) : Notices for social distancing at the Council Room.



Figure 7.0 (a) : Display of Posters and Notices.



Figure 9.0 : Temperature Monitoring on work site.

On 14th of May, 2020 a testing exercise was organised for the staff at the DCRR with the collaboration of the Ministry of Health and Wellness.



Figure 10.0 (b) : Covid 19 Rapid Test at the DCRR.

169 Employees were tested from all grades and most importantly, including the frontliners.

12. Safety and Health Objectives 2020-2021.

The following objectives have been identified for the FY 2020-2021.

<i>Sn</i>	<i>Objective</i>
<i>i</i>	Reduced number of man days loss wrt injury at work and reducing the number of accident cases/ first aid cases at work.
<i>ii</i>	Work on completing a gap analysis with regards to Safety and Health legislation to continue.
<i>iii</i>	Achieve minimum of 75% completion of actions arising from Safety and Health inspections Implement monitoring of Safety and Health inspections compliance
<i>iv</i>	Work with Departments to continue to promote injury reporting within prescribed timescales.
<i>v</i>	Increase in the number of training sessions provided to the Employees.

13. Conclusion

The report highlights the work that has been undertaken during 2019-2020 to improve the management of Safety and Health in the Council. Progress is determined by revised inspection and assessment programmes and ongoing training to improve visibility and awareness. The Council's Safety and Health Section continues to provide advice and guidance to staff to ensure they are able to meet the needs of the Council in its compliance with safety and health legislation, as well as continues to engage with other specialist services to assist in the development of future strategies.

IT section

The IT section is headed by the IT/Officer/Systems Administrator and assisted by the Assistant IT Officer. It has three major areas of concern, which include governance of the company's technological systems, maintenance of the infrastructure, and functionality of the systems overall. The IT section evaluates and install the proper hardware and software necessary to keep the network functioning properly.

This Council's productivity and efficiency depend on more than capable, hardworking employees and high-functioning equipment like computers, printers, and scanners, amongst others. The IT Section oversees the installation and maintenance of computer network systems within the Council and has upgraded its network infrastructure to improve its robustness and security.

A Document Management System (DMS) has also been introduced by the IT section to encourage less paper usage. The DMS provided several benefits such as:

- Reduced Storage Space
- Enhanced Security
- Easier Retrieval
- Better Collaboration
- Better Backup and Disaster Recovery
- Time/cost Efficiency

During the lock down period, the IT section played a crucial role by facilitating communication of all stakeholders at the Council and take decision via digital platforms. Furthermore, new systems such as EProcurement and National Electronic Licensing System have been implemented successfully at the Council. Training and support have been provided to enable the smooth running of these systems.

Local Disaster Management Unit

This unit is headed by a Local Disaster Management Coordinator and assisted by a Clerical Officer.

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.

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.

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 LDRRMC 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 (NDRRMC), the Local Disaster Risk Reduction & Management Committee (LDRRMC) at the level of the District Council was engaged, in 2020/2021, 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
04 & 05 Jan 2020	Heavy Rain
22 Jan 2020	Heavy Rain
24&25 Jan 2020	Tropical Storm DIANE
12&13 March 2020	Heavy Rain

(ii) 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
Tuesday 20 October 2020	Indian Ocean Wave 2020
Friday 13 November 2020	Table Top Simulation Exercise (Flood) at Pereybere

(iii) Contingency Plan

One of the main priorities for the Council's LDRRMC is preparedness for specific disasters. A contingency plan for the village of L'Amitie/Gokhoola was prepared by the Council with the collaboration with the NDRRMC, which is in the process of vetting.

(iv) 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. The following locations/institutions have been sensitized on the preparedness and precautionary measures for multi-hazards, through pamphlets/posters.

Primary School	26	Social Security Centre	5	Laboratories Medical Lab	12
Secondary School	14	Civil Status Offices	5	Pharmacy	37
MITD Training Centre	2	Labour Office	5	Police Station	7
Elderly Day Care Centre	4	CAB Office	4	Residential Care Centre	1
Community Centre	10	CEB Sub Office	2	Gym/Sport Clubs	11
Residential Care	1	Post Office	14	Youth Centre	2
Village Hall	19	Telecom Shop	3	Swimming Pool	1
Social Welfare Centre	6	Market	2	Multi-Purpose Complex	1

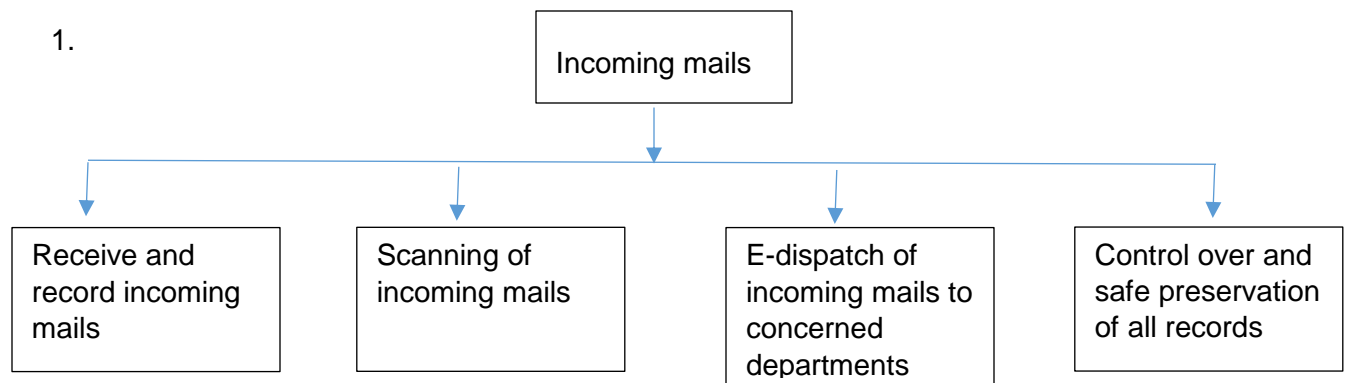
Central Registry

The aim of Registry is to assist officials in the department in performing their daily activities correctly.

Registry is the nerve centre of any Local Authority. No department can function effectively unless the registry is functioning effectively.

The Central Registry depend upon an active partnership between the Registry staff and its users. It comprises of one Office Management Assistant, two Management Support Officers, one Clerical Officer and two Word Processing Operators.

Registry functions:-



2. Opening, storage, movement and maintenance of files.
3. Index of files.
4. Review and dispose of all inactive files.
5. Location of files and information retrieval
6. Reference services for outgoing mails.
7. Record and dispatch of outgoing mails.
8. Franking of letters.
9. Use of 'bring-up' (BU) system.
10. Managing electronic mail.
11. Flimsy files are circulated.
12. Cross-referencing from files.
13. Disposal of files.

Some figures for the activities of the Central Registry for year 2019/2020 are found below:

Details	Approx. (No.)
Incoming Correspondence	9,800
Outgoing Correspondence	1235
Existing files	400
New files created	25
No. of letters franked	14,000

Complaint Management – Citizen Support Portal

Complaint management is handled by an Assistant Chief Executive and assisted by the agents in the different departments for the CSU Portal. The Citizen Support portal (CSP) was launched on 28 April 2017. It is a user friendly online platform setup at the Prime Minister's Office to provide a better service to address complaints and queries of citizens. It is accessible on a 24/7 basis. A citizen can register his complaint and do a follow-up with regard to the status of the complaint.

For period 01st July 2019 to 30th June 2020, this Council attended 656 complaints and these tickets were closed whereas 33 tickets were opened.

Most complaints received were related to street lighting and illegal construction issues. On request for additional funds to the tune of Rs700,000, for the purchase of street lanterns to resolve the complaints with respect to street lighting on CSP, the Ministry of Local Government, Disaster and Risk Management entertained the request positively. One hundred lanterns were purchased and fixed in villages where complaints were received on a 'first come first serve basis'.

Other major complaints on the CSP was about barelands and illegal dumping. In the absence of a proper cadastre section, it was practically impossible for the Public Health Department to trace all the owners. Notices were served upon known owners whilst the Council proceeded with part of cleaning of barelands whose owners were unknown.

Reports are made on a monthly basis and forwarded to the Task Force Committee for Constituency No.6 and 7 chaired by the respective Parliamentary Private Secretaries.

Furthermore, complaints reached this Council via e-mail or letters and are forwarded to the respective departments for necessary action at very end.

Human Resource Section

The presence of an HR (Human Resource) Section is an essential component of our Council, regardless of its size. An HR Section is tasked with maximizing employee productivity and protecting Council from any issues that may arise within the workforce.

Human Resource activities fall under the following five core functions: staffing, development, compensation, safety and health, and employee and labor relations within each of these core functions, HR conducts a wide variety of activities. These activities are all linked by a concern for employee well-being and ensuring organizations treat employees in a way that provides mutual benefit for both the employee and the organization

The HR Section is headed by the Human Resource Management Officer, the Human Resource Officer and assisted by 1 Office Management Assistant and 2 clerical officers.

The HR Section is responsible for managing the employee life cycle which consists of the following functions and duties:

- Recruitment, appointment, training, promotion, discipline, retirement and administering employee benefits
- Training and Development – The HR Section works in conjunction with heads of departments and supervisors to determine the training needs of employees
- HR Planning – filling of vacancies and HR budgeting
- Employee performance evaluation – yearly appraisal of employees' performance
- Managing salaries, benefits and allowances, keeping and updating personnel records such as absences, computation of leaves, time-off tracking, lateness, passage benefits, salary deduction
- Disciplinary measures - employee rights with unions, management, and stakeholders, coordinating with unions, and mediating disagreements and ensuring safe working environment

This section has the responsibility of managing the work force of the Council which was constituted of 106 staff members and 269 manual workers from July 2019 to June 2020.

Department	Adminis tration	Finance	Public Infrastructure	Land Use & Planning	Public Health	Welfare	Part time Workers	Total
Recruitment	2	1		1			2	6
Appointment	3		1					4
Promotion								-
Retirement	2		3		1		1	7
Dismissal					1			1

Training and Workshop Programmes

Training and Development in HRM is defined as a system used by an organization to improve the skills and performance of the employees.

The purpose of the training programmes organised at the District Council of Riviere Du Rempart is to facilitate learning and development, expedite acquisition of the knowledge, skills, and abilities required for effective job performance of employees.

Thus, training in the fields of First Aid Course, Citizen Support Portal, I-Council, Anti-Corruption in collaboration with ICAC, among others were organised during the year 2019/2020.

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.

The District Council has conducted its procurement activities for goods/services in line with the provisions of the Public Procurement Act 2006 (Amended 2008).

Procurement activities consisted of the invitation for bids through the following methods:

- Request for Sealed Quotations (RFQ)
- Request for Proposals (RFP)
- Open Advertised Bidding (OAB)
- Direct Procurement
- Informal Quotations (for low value items)

In line with relevant procedures, recommendation for procurement of goods, services and works were made by the Procurement Committee.

Bids were launched in line with Section 15 of the Public Procurement Act (PPA) to select the choice of the procurement methods and evaluation of the bids were properly carried out both by officers of this Council and from other Councils as well as shown in the table below:

Methods of Bidding	Number
Request for sealed quotations	Forty Four (works/goods/services)
Open Advertised Bidding (OAB)	Three (works)
Quotations for low value items	Two Hundred and Ninety Two (goods and services)
Emergency procurement	Nil

During the Covid period, three Procurement Committees were held to acquire only those items which were required for the Covid 19.

However, for all goods and services exceeding Rs100,000.00 the recommendations of the Procurement Committee were referred to the Executive Committees for approval.

The table below shows a list of all major projects which were approved by the Executive Committee for year 2019/2020.

CONTRACT AWARDED PERIOD JULY 2019-JUNE 2020

<i>SN</i>	<i>PROJECT</i>	<i>CONTRACT VALUE (Rs)</i>
1.	Construction & Tarring of Roads	Rate Basis
2.	Supply & Fixing of Wooden Poles & Cabling Works for Street Lighting	Rate Basis
3.	Supply of LED Lantern	Rate Basis
4.	Purchase of Heavy-Duty Photocopier	218,500.00
5.	Fencing of Futsal at Cottage	2,847,970.00
6.	Decoration of Stage at Multipurpose Complex at Petit Raffray	429,685.00
7.	Supply of plastic bins	Rate Basis
8.	Supply & Fixing of Generator at Multipurpose Complex at Petit Raffray	716,243.00
9.	Cleaning of Drains, Canals, Rivers & Rivulets	Rate Basis
10.	Provision of Parking Space at Petit Raffray Multipurpose Complex	4,250,000.00
11.	Purchase of Vehicle (Passenger Van)	1,196,100.00

THE WELFARE DEPARTMENT

Although the Welfare Department is under staffed, the department has been able to implement all decisions taken at welfare committee. The Welfare department is headed by a Senior Welfare Officer. The department comprises of one Welfare Officer, one MSO, four Infant School teachers, one Groundsman, one gardener and eight Handy Workers. The Welfare Department is responsible to provide 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.
- The Welfare department also cater for free pre-primary education.
- Enhance literacy by organising quiz and painting completions.
- Upgrading and maintenance of playgrounds; football grounds, children playgrounds, green spaces, petanque courts, volleyball pitches.
- Provide free use of infrastructures with light facilities; football grounds, children recreation parks, petanque courts and volleyball pitches.
- Lease of Multipurpose Halls

But unfortunately this year, the activities have been put on hold due to the outbreak of covid-19 pandemic. The activities held during the year are as follows

The activities are as follows:

SN	Financial Year	Date	Event
1	2019/2020	04-Aug-19	Eid Gathering at Petit Raffray Multi-Purpose Complex. The function was graced by the VPM Mrs Fazila Jeewa Doreeawoo. The function started with some religious prayers followed by a Quawali group for entertainments. Briani was served to 500 persons on that event.
2	2019/2020	24-Oct-19	The District Council organised an End of Year get together for both pre-primary schools which are under the welfare department. Children performed on stage for Christmas at Petit Raffray Multipurpose Complex. Both schools did a joint activity where parents were also invited.

3	2019/2020	27-Oct-19	Divali was celebrated on Sunday 27th October 2019 at Traffic Centre, Riviere Du Rempart. There was an open air cultural show from 19hr to 23hr.
4	2019/2020	20-Dec-20	In view to compensate the winners and participants of JIOI a function was held at Ravenala Hotel to honour the participants of jeux des iles.
5	2019/2020	11-Jan-20	Regional Task force meeting was held where cheque remittance ceremony was held for Cavadee & Mahashivratri
6	2019/2020	29-Feb-20	Geet Gawaii Festival was held in the context of Women's Day and National Day celebrations.
7	2019/2020	11-Mar-20	Flag Raising Ceremony was held at the District council yard. All employees and eminent personalities were present for the flag raising ceremony.

Some photos of events held during the year

Geet Gawaii was held with lots of festive and joy at Petit Raffray Hall





Sports Award JIOI – Gifts to winners offered by the District Council at Ravenala Hotel.



Eid Celebrations held on 4th August 2019 at Petit Raffray Hall



Diwali Open Air Cultural Show at Traffic Centre, Riviere du Rempart



National Day celebrations at the District Council yard



THE LAND USE AND PLANNING DEPARTMENT

The Land Use and Planning Department is responsible for the following:

1. Monitoring Development and Land Use within the jurisdiction of the District Council of Riviere du Rempart.
2. Processing of application for Building and Land Use Permit electronically and manually as the case maybe and forwarding same for determination by the Permits and Business Monitoring Committee.
3. Providing information to public in connection with application for Building and Land Use Permit.
4. Attending to complaints through the CSU portal and at Frontdesk with respect to unlawful development, issuing notice as the case maybe and initiating legal action whereby required.
5. Submitting views for applications to the:
 - a. Morcellement Board for Morcellement Permits
 - b. The Ministry of Agro Industry and Food Security for Land Conversion Permit
 - c. The Ministry of Environment for EIA/PER Licences
 - d. Economic Development Board

Brief on Land Use and Planning Department

For the year 2020, the Land Use & Planning Department processed a total of 2,796 applications for both Building and Land Use Permits and Occupation Certificates.

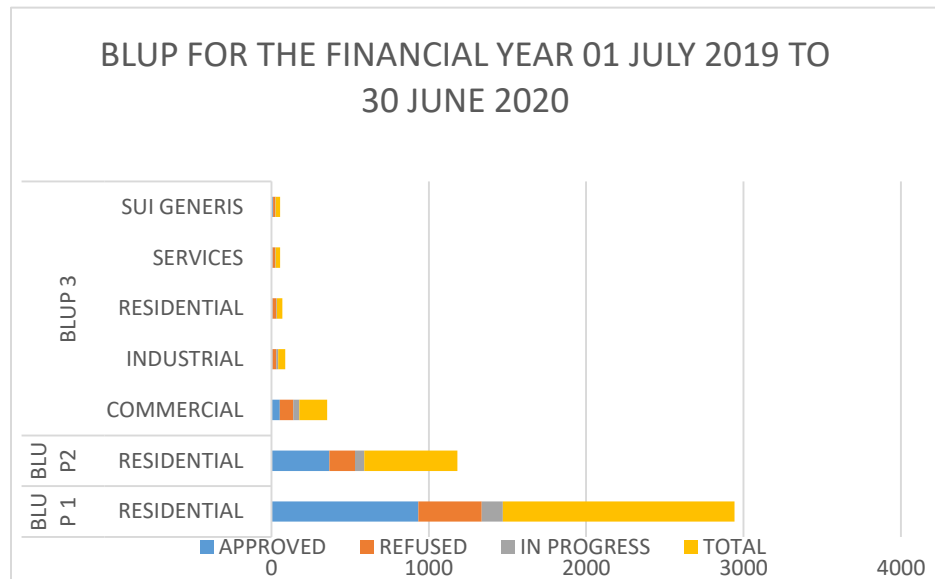
All applications received electronically are processed within 8 days as from date of receipt. The Staff of the land Use & Planning Department endeavours to meet the deadline set despite being short of technical staff.

The Processing fee for all applications of Building and land Use Permits have been waived since the beginning of the last financial year.

All applications for Building and Land Use Permit and Outline Planning Permission (OPP) are processed and forwarded to the Permits and Business Monitoring Committee for determination.

BUILDING AND LAND USE PERMITS FOR THE FINANCIAL YEAR 01 JULY 2019 TO 30 JUNE 2020

PERMIT TYPE	CLUSTER	APPROVED	REFUSED	IN PROGRESS	TOTAL
BLUP 1	RESIDENTIAL	933	404	134	1471
BLUP2	RESIDENTIAL	368	163	60	591
BLUP 3	COMMERCIAL	54	85	38	177
	INDUSTRIAL	8	24	12	44
	RESIDENTIAL	7	24	4	35
	SERVICES	7	16	5	28
	SUI GENERIS	11	14	3	28
TOTAL		1388	730	253	2374



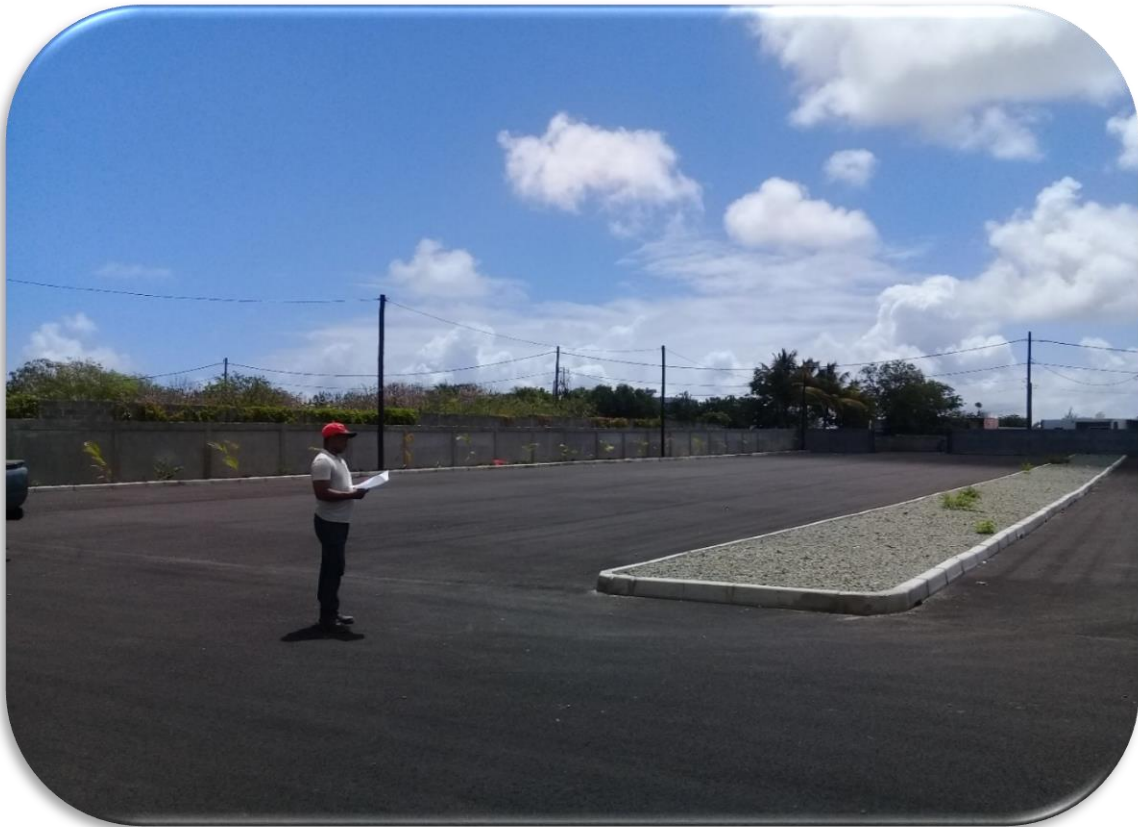
THE PUBLIC INFRASTRUCTURE DEPARTMENT

The Public Infrastructure Department is responsible for the 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.

Local Development Projects

The Public Infrastructure Department is responsible for the implementation of capital projects funded under the Local Development Projects Scheme. For year 2019/2020, a sum of 24 million rupees was earmarked. Only an amount of Rs 14 million was spent as shown in the table below:

Project	Amount earmarked	Amount spent	Remarks
	(Rs)	(Rs)	
Construction of New Roads and Resurfacing	7,000,000	-	Issue regarding price adjustment was not resolved. It was decided to terminate the contract for convenience. It was not possible to invite fresh bids due to confinement just before end of financial year.
Extension of Street Lighting network in villages	2,000,000	1,667,821	Completed after June 2020; project was delayed due to confinement.
Purchase of Street Lanterns	2,000,000	-	Not implemented due to confinement just before end of financial year.
Upgrading works Petit Raffray Multipurpose Hall - Tarring and fencing parking area; supply & fixing of standby generator	5,000,000	4,966,243	Completed after June 2020; project was delayed due to confinement.
Construction of futsal at Cottage	6,000,000	6,000,000	On-going; expected to be completed in February 2021.
Upgrading & renovation works at D. Council Premises - Partitioning of Archive building And labour for fixing of metal roofing for shelter	800,000	644,000	Completed after June 2020; project was delayed due to confinement.
Upgrading of Boolaky Stadium - Upgrading of Electrical Network, Supply & Fixing of gates	500,000	473,350	Completed after June 2020; project was delayed due to confinement.
Upgrading of electrical network & infrastructure Riviere du Rempart Traffic Centre	700,000	270,000	Completed after June 2020; project was delayed due to confinement.
Total	24,000,000	14,021,414	



Construction of boundary wall and parking
at Petit Raffray Multipurpose Complex



Construction of Futsal at Cottage

Construction of drains/absorption drains under National Environment Fund

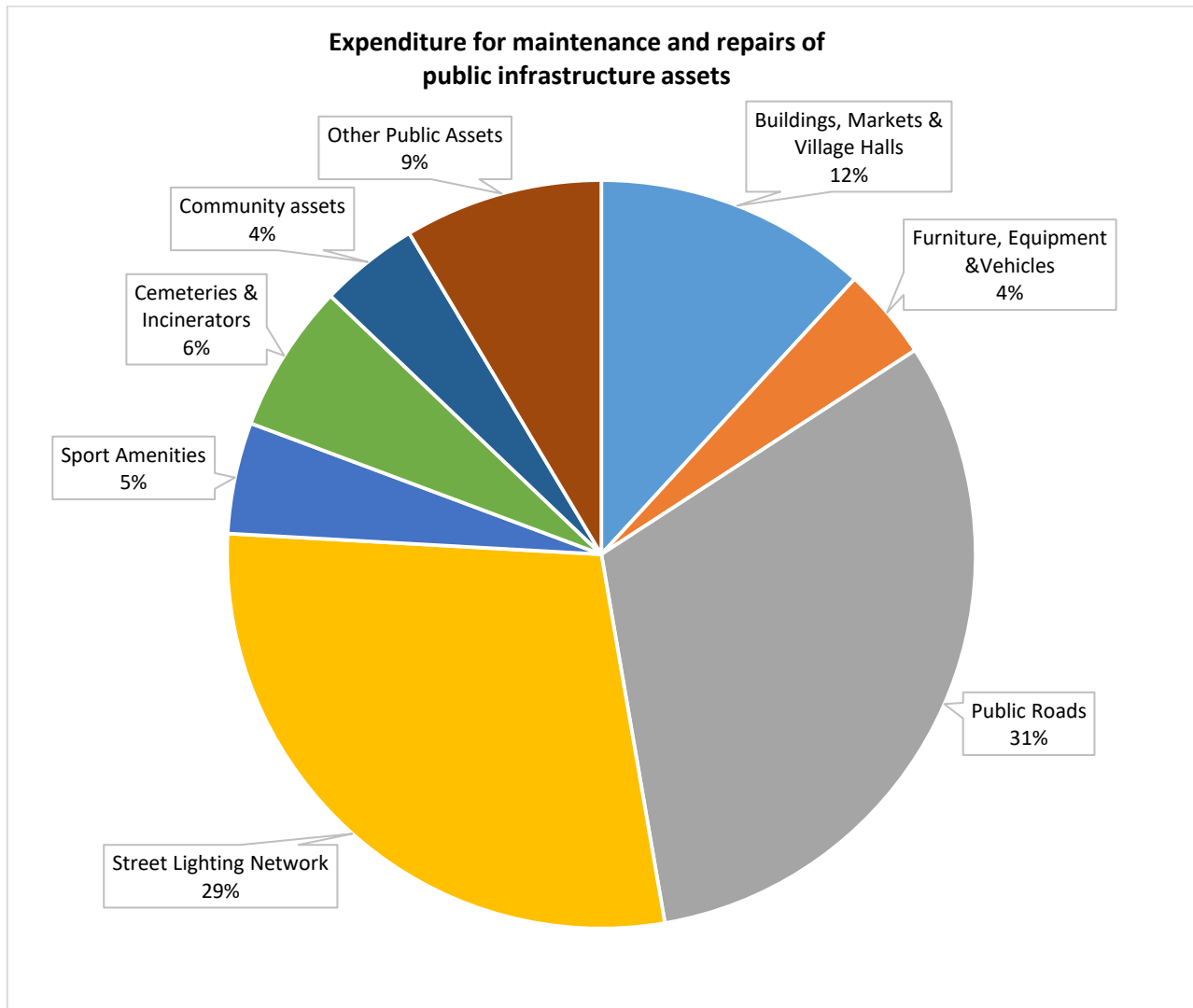
Council was unable to proceed with the implementation of drain projects as bid exercises carried out twice were unsuccessful. Moreover, no procurement exercise was undertaken during confinement.

Major projects

SN	Project	Project Value (Rs)	Construction Period	Start date	Completion Date	Status
1	Construction of Market Fair & Traffic Centre at Goodlands	317,400,000	450 days	Nov-19	Jan-21	In progress; project delayed due to Confinement and labour shortage
2	Construction of Multipurpose Complex at Riv. Du Rempart	50,000,000	365 days	Jan. 2021	Jan. 2022	Bidding exercise for consultancy service
	Total	467,400,000				

Maintenance and Repairs of Public Infrastructure Assets:

In year 2019/2020, around Rs 8 million was spent on the maintenance and repairs of public infrastructure and other community assets as shown below:



Implementation of Key Actions

Key Actions	Key Performance Indicator	Target	Actual
Patching of roads	Meters of road maintained	15,000 m	14,000 m
Traffic Measure	Meters of road marking	1,800 m	1,700 m
	Number of sign plates	175 units	175 units
	Meters of Handrails	100 m	100 m
Resurfacing of roads	Meters of road resurfaced	2,000 m	0 m
New roads	Meters of new roads constructed	4,000 m	0 m
Drains/absorption drains	Meters of new drains constructed	1,000 m	0 m
Street Lighting	Meters of street lighting	2,400 m	2,400 m
Lanterns	Number of street lanterns fixed	275 units	0 units
Servicing of street lighting	Number of bulbs replaced	5000 units	5000 units

The target aim for the year 2019/2020 were not successfully attained, but we were successful in at least implementing several projects. The confinement period delayed our procurement exercise forbidding us in attaining our goals.

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. Furthermore, clean up campaigns and embellishment works are carried out as well as bulky and e-waste collections are organised.

A. Scavenging Services

Out of nineteen (19) villages, four (4) of them have outsourced services namely at Goodlands , 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 (5) tipper lorries and (7) compactors were in use with 131 Refuse Collectors, 11 Field Supervisors, 11 Drivers and 5 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 2019/2020 (In-house)

Input of all data were done in a sheet of specific format.

Number of trips of wastes collected and conveyed to Transfer Station of Poudre D’Or were around 5760. The amount of waste collected by in-house labour is shown below:

PERFORMANCE FOR IN- HOUSE SCAVENGING SERVICES-2019/2020												
MONTHS	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
WEIGHT/T	1400	1380	1350	1380	1400	1600	1583	1294	1119	1282	1197.5	1204.6
TOTAL WEIGHT/T	16190											



Furthermore, special collection of solid waste were effected as per request of task force as regards to different festivals like Cavadee, Mahashivratree, Shab-e-barat, Gangaasnan among others.

- **Herbicide spraying**

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 and which started as from the month of April 2020. Spraying works were effected as scheduled.

- **Lopping of branches**

A team of 7 – 8 Refuse Collectors, headed by 1 Field Supervisor, performed such works along internal roads of villages, namely, The Vale, Poudre D'or, Petit Raffray, Poudre D'Or Hamlet, Roche Noires, Grand Gaube, Roche Terre, Grand Baie, Amaury



- **Cleaning of Barelands**

Survey revealed that there were about 1,890 plots of barelands within the residential areas. It was noted that the owners of most of these lands are unknown.

However, 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 hence keeping them free from waste, undergrowth or noisome vegetation at all times. Number of plots cleaned were 113.

Furthermore, press notice was issued to sensitize owners of barelands.



- **Clean-up Campaigns**

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



- **Bulky Waste collection campaign**

It was effected in October and November 2019. All 19 villages were covered and funds were provided by the Ministry of Local Government and Disaster Management.



- **Fixing of “NO DUMPING” plate**
Fourteen such plates were fixed at strategic places to sensitize public to keep their environment clean.
- **Clean Up the World**
Special clean ups were carried out at Grand Baie, Roche Noires, Mapou, Cottage and Rivière du Rempart in collaboration with private stake holders.
- **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.



- **Pest Control:** - funds were provided by the Ministry of Local Government. All Council's building were provided with such services.

B. Cleaning of Drains/Rivers

(a) Covered Drains

Funds were provided by Ministry of Local Government and Disaster Management. 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 1,257,208

The extent covered was around 5335 meters.



(b) Open Drain

Cleaning was effected by in-house labour at Goodlands by-pass, Belle Vue Maurel, Amaury, Amitié, Mapou/Bois Rouge, Poudre D'or, and Panchavati during normal working hours. The extent cleaned was around 24 Km.



(c) Cleaning of rivers.

This work was carried out by in house team covering an extent of 950 m. Same was done during normal working hours.



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. Since the life span of the Belmont Incinerator lapsed after nineteen years, needful was done for its replacement. It was expected to complete the project by end of the year 2020. The services provided to public were as follows:

SN	SERVICES	NUMBER
1	INCINERATIONS	336
2	CREMATIONS	172
3	BURIALS	261

D. Management of Market/Fairs

The two (2) markets found at Goodlands and Rivière du Rempart were managed including their maintenance, cleanliness, control of illegal hawkers in the vicinity and verification of arrears due by stall holders. Furthermore, exercise for Expression of Interests were launched for both markets 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. It is expected that construction works would end by March 2021.

Market Regulations were enforced and 33 persons were prosecuted for illegal trading in the vicinity of markets.



E. Covid-19 – Curfew period 20 March to 30 May 2020

- **Scavenging**

During curfew period services were provided in all villages as per scheduled program including those villages which were contracted out.

Minimum services were provided during the months of March/April/May. As from mid-May other works like lopping, mowing works were carried out. Normal situation was reached by mid-July 2020.

As from mid-May, motorised spraying of herbicide were effected. However, we had to shift to the disinfection of bus shelters and Traffic Centre thrice daily, in the wake of the covid prevention program.



All scavengers were fully equipped with protective equipment viz masks, sanitizers and gloves. Furthermore, arrangements were made with the Ministry of Health and Wellness for Covid test for all refuse collectors.

- **Market**

Markets were closed during the curfew/confinement period but re-opened on 31 May 2020 at Riviere du Rempart Market and on Wednesday 03 June 2020 at Goodlands Market onwards. It is to be noted that disinfection and pest control were effected prior to opening of the markets.

Provisions of temperature control and hand sanitizer were made available to all customers and it was ensured that all traders wear masks and gloves before entering the markets premises as well as observing social distancing. Same were continued until mid-June 2020. Police assistance against a payment of Rs 78,000 was also sought against payment of appropriate fees for control purposes.

- **Cleaning/Disinfection of Bus Stops and Traffic Centres**

Disinfection of Bus Stops and Traffic Centres were carried out on a thrice daily basis for a period of 24 days ending on 06th June 2020. A total of 153 locations were covered. 4 teams were constituted and two motorised sprayers were also purchased to cope with the works for an amount of Rs 124,200/-. Pick Up Van was also used for transportation of sprayers, tank and labourers.

Estimated cost were about Rs1M including Rs 635,000 for labour, Rs 10,000 for Javel, Rs 10,000 for Fuel and Rs 150,000 for travelling.

Special funding was provided by the Ministry of Local Government and Disaster Management.



- **Price control**

Further instruction was received from Ministry of Local Government and Disaster Management to assist officers of the Ministry of Commerce for price control for a period of 15 days.

- **Food distribution**

Assistance was also given for food distribution effected by the Ministry of Social Security and National Solidarity

F. Trade Fees

All database for trade fees were transferred to Corporate Business and Registration Department as from January 2020. Public Health Department no longer process any application for trade fee.

G. Advertising panel

Survey were carried out and payment regarding advertising panel were collected. As at date a sum of Rs 703,050 have been collected.

H. Bus Toll

Nine cases were prosecuted to recoup arrears.

VILLAGE COUNCILS

The District Council of Riviere du Rempart has 19 Villages within its jurisdiction which according to law are administered by a local authority known as Village Council. Each Village Council is provided a yearly budget from the annual grant of the District Council.

Each Village Council consist of nine elected members among which a Chairperson, Vice-Chairperson and District Councillor are elected. It is to be noted that except for Goodlands Village Council, Riviere du Rempart Village Council and Grand Baie where two representatives are elected as District Councillor. These Councillors work as the grass root level as there is a close relationship between members of the Village Councils and the inhabitants of their respective villages. This relationship helps to identify the requirements of the villagers and design as well as implement projects in the interest of the inhabitants.

Activities

In order to promote the well-being of inhabitants the Village Councils organized several activities such as sports activities, cultural shows, medical check-ups and outings and for senior citizen.

Village Councils meeting are conducted on a monthly basis where all the activities to be organised are approved as well as complaints regarding any issue in the Villages are considered and forwarded to the respective Authorities / Departments for necessary actions. Christmas celebrations at National Level was organised by the Ministry of Arts and Culture in collaboration of the Village Council of Goodlands at Domaine du Moulin on Saturday 21st December 2019, which was a real success.

Village Councils also care about the environment and regular clean up campaigns are organized in collaboration of the District Council to keep the villages green and clean.

NUMBER OF MEETINGS HELD DURING PERIOD 01 July 2019 to 30 June 2020

Election of Chairperson and Vice Chairperson

During the year four elections were held whereby new Chairpersons were elected to serve their respective villages.

SN	Village Councils	VC meeting	Special meeting	Total
1	AMAURY	10		10
2	AMITIE/GOKHoola	10		10
3	BELLE VUE MAUREL	10		10
4	CAP MALHEUREUX	10		10
5	COTTAGE	9		9
6	ESPERANCE TREBUCHET	10		10
7	GRAND BAIE	10		10
8	GRAND GAUBE	11 (1 ADDITIONAL IN SEPTEMBER)		11
9	GOODLANDS	10	1	11
10	MAPOU	10		10
11	PETIT RAFFRAY	10	1	11
12	PITON	10		10
13	POUDRE DOR HAMLET	10	1	11
14	POUDRE DOR VILLAGE	10	1	11
15	PLAINE DES ROCHES	10		10
16	RIVIERE DU REMPART	10		10
17	ROCHE TERRE	10		10
18	ROCHES NOIRES	10		10
19	THE VALE	10		10

Expenses

Find below the amount spent for each Village Councils under the different codes:-

SN	Village Councils	Amount spent on Code Social, Cultural and Sports Activities	Utilities
1	AMAURY	72,385	0
2	AMITIE/GOKHoola	102,005	4,996
3	BELLE VUE MAUREL	227,170.60	5,056
4	CAP MALHEUREUX	156,079	3,202
5	COTTAGE	192,208	8,378.90
6	ESPERANCE TREBUCHET	243,902	9,596
7	GOODLANDS	504,037.88	873.9
8	GRAND BAIE	383,894	6989
9	GRAND GAUBE	304,426.15	12,279
10	MAPOU	185,168.5	18,050
11	PETIT RAFFRAY	233,419	9,813
12	PITON	154,326	17,471
13	PLAINE DES ROCHES	182,405	11,094
14	POUDRE DOR HAMLET	77,875	21,572
15	POUDRE DOR VILLAGE	191,597	9028
16	RIVIERE DU REMPART	372,941	12,539
17	ROCHE NOIRE	304,630	21,285
18	ROCHE TERRE	98,925	2,538
19	THE VALE	134,753	16,478

It is to be noted that part of the Grant is retained at the level of the District Council to meet utility Bills and the monthly allowances of Village Councillors.

Some activities which were already approved by their respective Village Councils had to be cancelled due to Covid-19 pandemic, thus resulting in a decrease in the expenditure under code Social, Cultural and Sports Activities.

Major Achievements

The National Audit Office in its letter dated 3rd June 2020 submitted the Audit Report of the 19 Village Councils under the jurisdiction of the District Council of Riviere du Rempart for the year ended 30th June 2017. The opinion tendered by the NAO was that the Statement of Receipts and Payments submitted for each Village Councils gave a true and fair view of the receipts and payments of each Village Councils in accordance with accounting principles generally accepted in Mauritius and in compliance with the Local Government Act 2011.

THE FINANCE DEPARTMENT

FINANCIAL PERFORMANCE

1. FINANCIAL HIGHLIGHTS

General Fund and Reserves

As at 30 June 2020, General Fund and Reserves was made up of the following:

	2018-19	2019-20
General Fund and Reserves	Rs	Rs
General Fund	(886,589,436)	(958,458,398)
Passage Fund	3,551,307	3,807,365
Land Revaluation Reserve	295,398,608	295,398,608
Fair Value Reserve	101,667,083	101,667,083
Total	(485,972,438)	(557,585,342)

Land, building and other public infrastructures were revalued at the end of the financial year 2019-20 whereby the surplus or deficit on fair value was transferred to a non-cash reserves, the Fair value reserve and the land revaluation reserve. Investment return of employees passage benefit was credited to the passage fund in line with the provision of the Local Government Act 2011.

Recurrent Revenue

The activities of the Council are financed mainly from the grant in aid received from the Central Government and partly from Council's own sources of revenue. The amount of revenue grant received from the Central Government was Rs 260,995,777 excluding capital grant received and Council own revenue was Rs 52,532,793.

Recurrent Expenditure

The total operating and administrative expenditure for period July 2019 to June 2020 before depreciation charge was Rs 329,580,369.

Deficit for the year

The effective recurrent deficit for the year was Rs 16,051,801 and the General Fund was increased by the current year deficit to reach Rs 958,458,398 as at 30 June 2020.

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.

Public Contributions

Land promoters have contributed Rs 669,685 for the extension of street lighting network in newly developed housing estates.

2. FINANCIAL PERFORMANCE

Financial 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, Welfare, and Land Use & Planning Department. 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 2019-20 is detailed in the following table:

	Budgeted (Rs)	Actual (Rs)	Performance Difference (Rs)
Revenue			
Trade fees	21,500,000	19,845,875	(1,654,125)
Building and Land Use Permit Fee	18,000,000	19,134,202	1,134,202
Government Grant	246,000,000	260,995,776	439,479
Rendering of services	2,308,000	2,927,547	619,547
Finance Income (Fair Value adjustment)	100,800	4,946,014	4,845,214
Rental Income	5,340,600	4,853,905	(486,695)
Other Income (Fair Value adjustment)	1,260,000	3,752,797	2,492,797
EXPENSES:	Budgeted (Rs)	Actual (Rs)	Performance Difference (Rs)
Compensation to employees	139,190,865	139,619,150	(428,285)
Remuneration of Councillors	5,516,780	5,000,637	516,143
Employee Retirement Benefit Obligation	21,675,000	9,598,896	12,076,104
Cleaning Services	72,238,010	82,482,311	(10,244,301)
Utilities	29,785,000	27,971,678	1,813,322
Grants and Subsidies	16,515,000	15,922,104	592,896

Repairs and Maintenance	7,790,000	7,964,357	(174,357)
Motor Vehicles Expenses	4,280,000	4,364,200	(84,200)
Professional and Legal Fees	2,350,000	1,563,643	786,357
Goods and Services	8,995,068	6,619,153	2,375,915
Finance Cost	589,050	28,474,242	(27,885,192)
Acquisition of fixed assets	10,525,000	24,930,588	(14,405,588)
Employee car loan	1,852,000	1,358,533	493,467
Loan repayment	924,000	924,000	0

- 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.
- An additional Rs 14,995,776 of project related recurrent grant was obtained from the Central Government to finance the organisation of cleaning campaign, cultural activities and employment of young graduate for which no provisions were made.
- There has been an absolute increase in the cost of scavenging due to the additional sites of Mont Choisy – Point aux Cannonier – Grand Bay – Pereybere – Cap Malheureux and Calodyne.
- Some Rs 24,930,588 was spent in the upgrading and acquisition of new public infrastructures which was not part of the approved recurrent budget 2019-20.
- Trade fees have decreased as a result of amendments brought in the Local Government Act whereby all activities that are regulated by the Gambling Regulatory Authority no longer have to pay a trade fee to the Council.
- Building and land use permit fee has increased due to major residential development in the Council's area and this source of fund is expected to diminish in the financial year 2020-21 due to the decision of the Central Government to exempt the payment of BLUP application fee to 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).
- The buy-back Central Government loan acquired by Council for the construction of the Riviere du Rempart Market Fair will be fully settled by the end of 30 June 2032. Capital outstanding as at 30 June 2020 was Rs 10.9 Million.

3 LIQUIDITY ANALYSIS

Year	2019/2020	2018/2019
Liquidity Ratio		

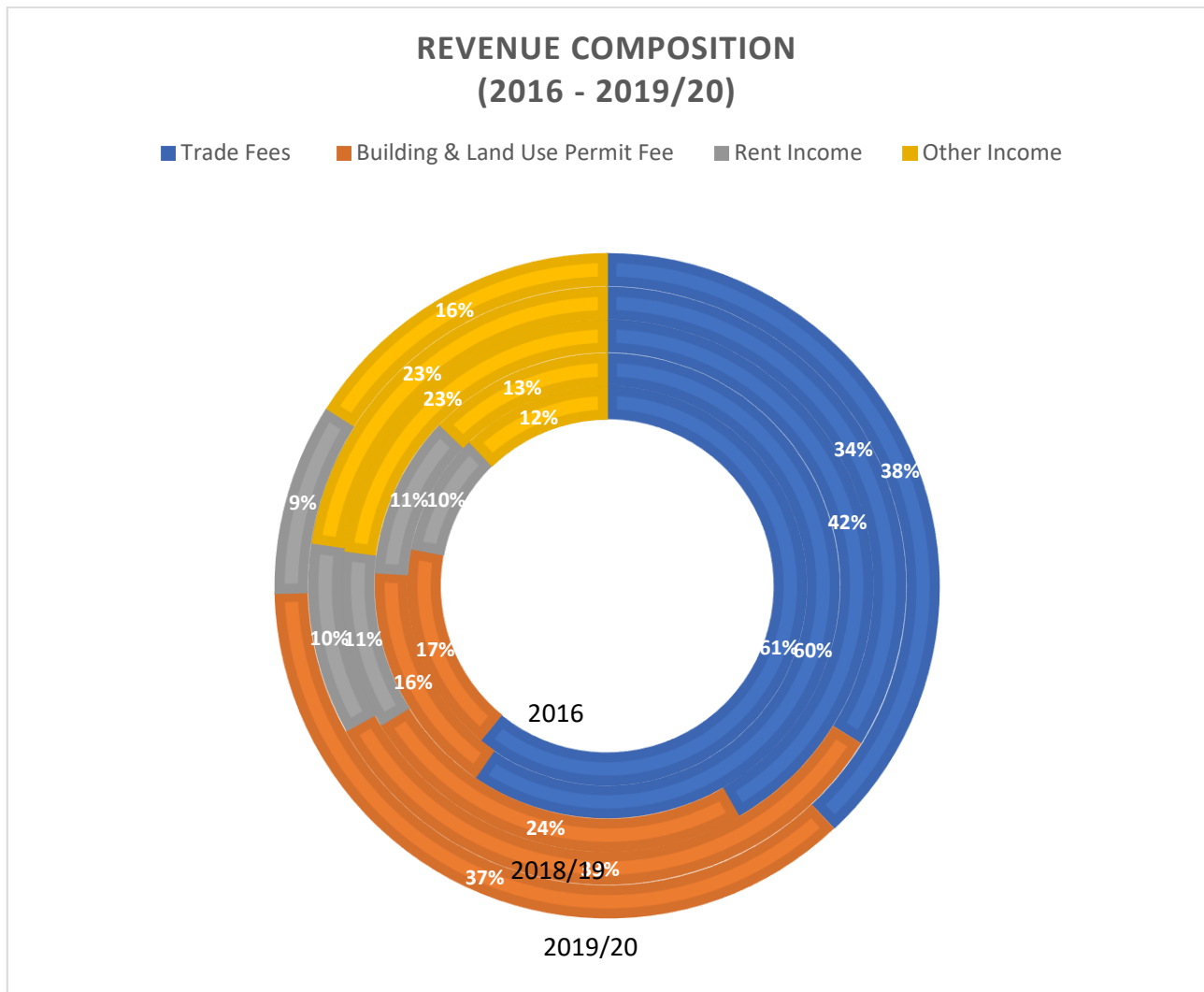
Current Ratio	0.05	0.05
Quick Ratio	0.04	0.04
Debt to Asset Ratio	1.58	1.34
Deficit to Asset Ratio	1.00	0.62

The above table is showing the liquidity position of the Council. The Current Ratio and Quick Ratio has remained unchanged compared to the Debt to Asset Ratio and Deficit to Asset Ratio. It is to be noted that Current and Quick Ratio is 0.05 and 0.04 respectively which shows that the Council has been suffering cash flow and liquidity problem since 2013.

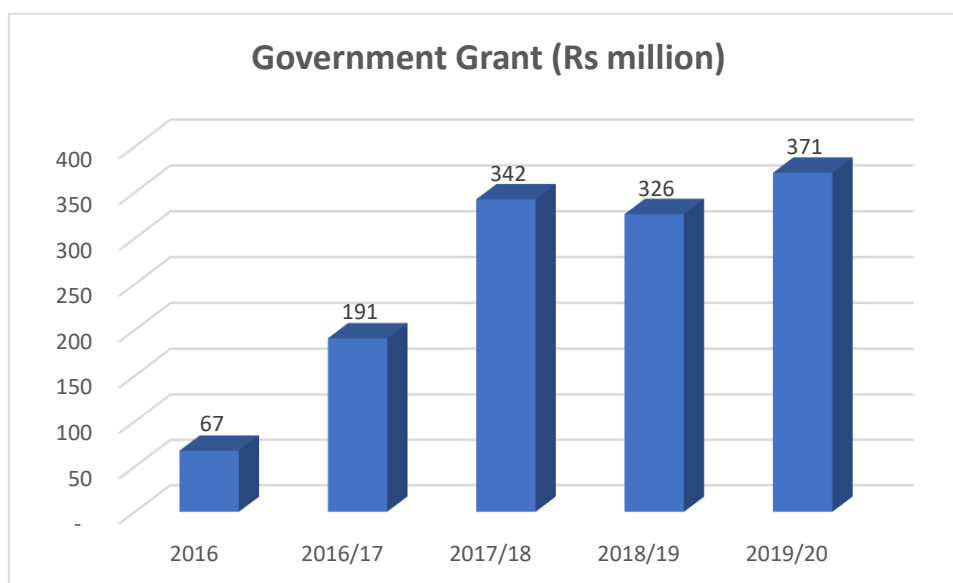
The Debt to Asset ratio is showing that the Council is having liquidity problem.

ANALYSIS OF MAJOR CHANGES IN INCOME AND EXPENDITURE

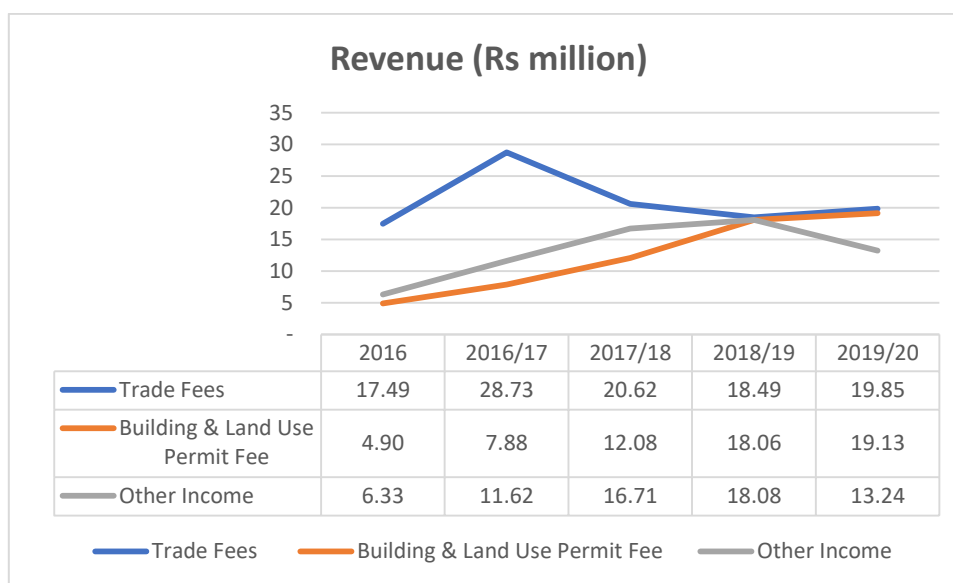
Note: Figures for 2016 in this Section of the report are for six months only due to change in the financial reporting period.



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.

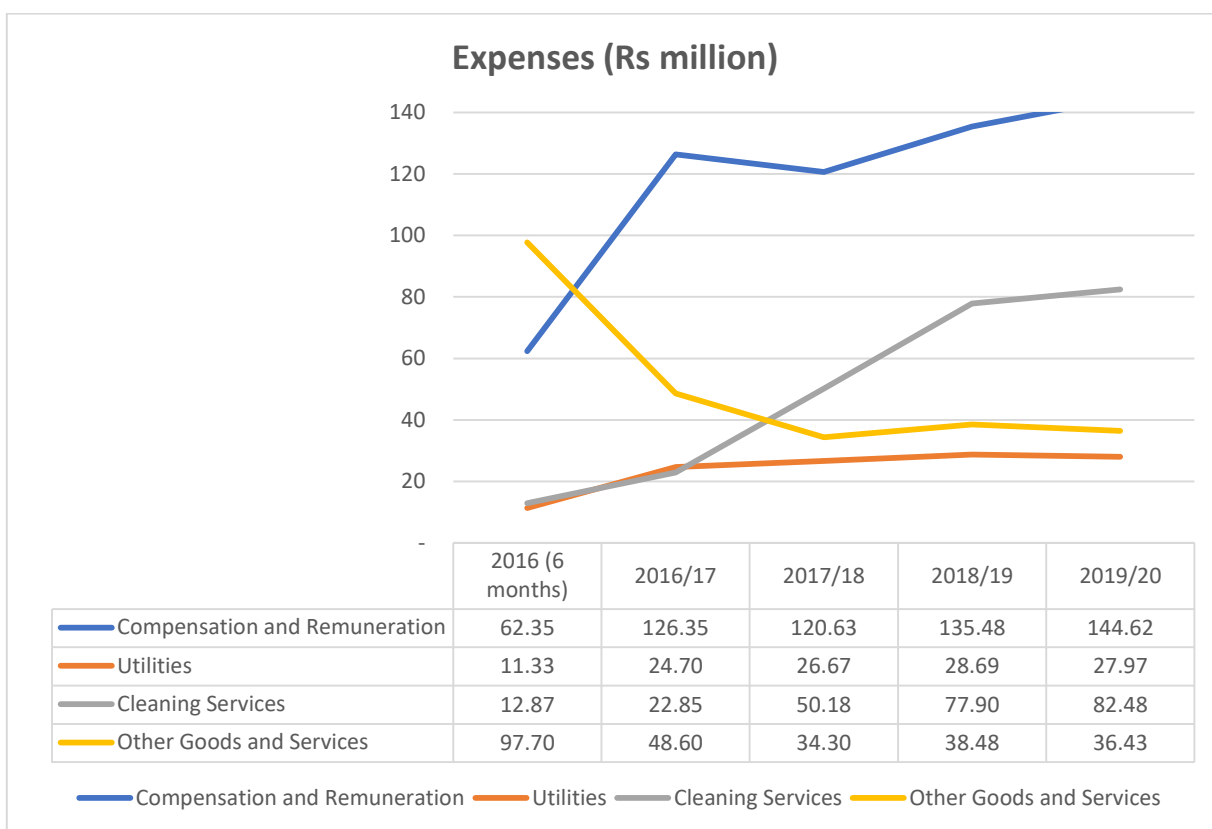


The above chart shows the trend in government grant received from 2016 to 2019/20.



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.



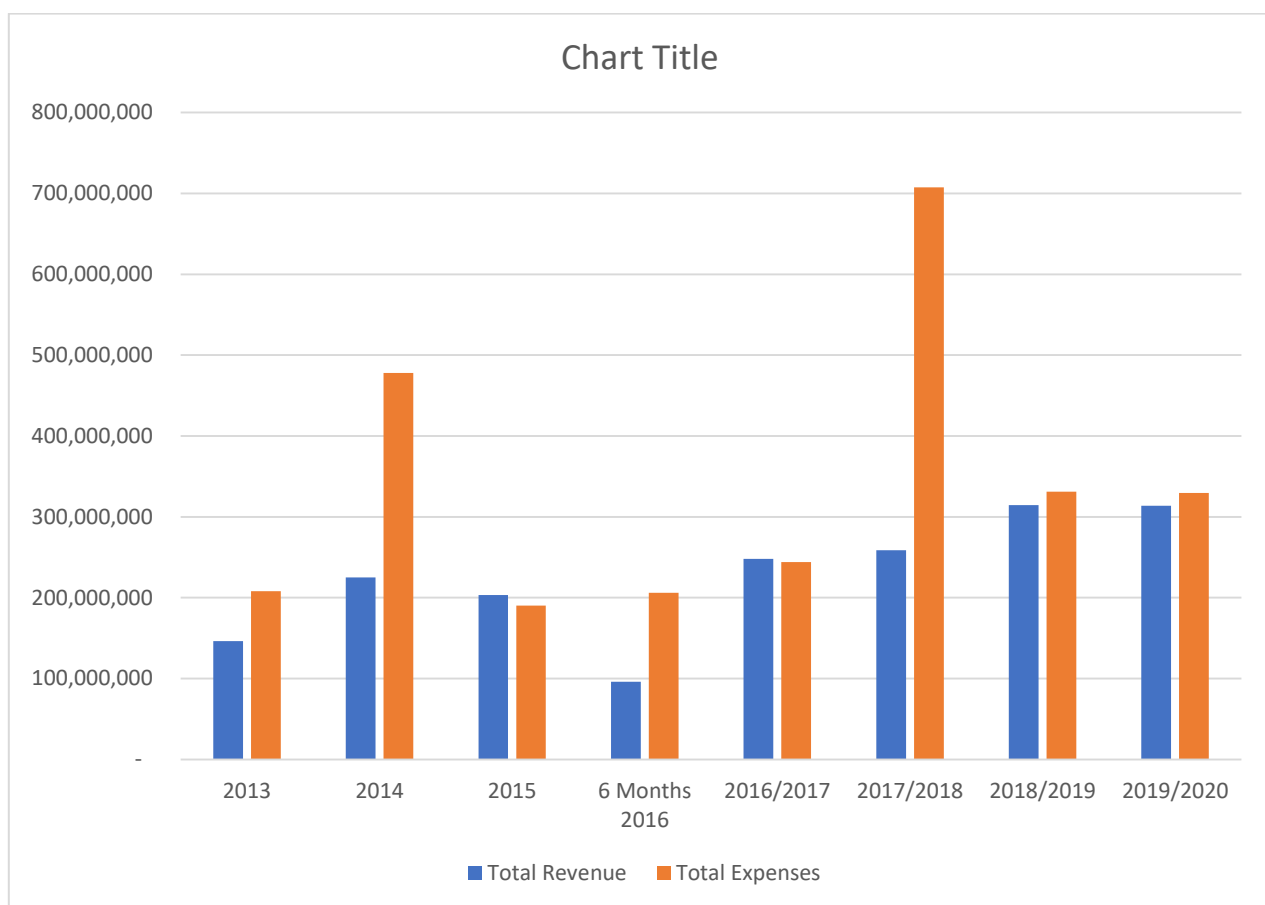
The above chart compares expenditure for the past five years.

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.

COMPARISON OF INCOME AND EXPENDITURE FOR THE PERIOD OF 2013 TO 2020.

The below table shows the yearly comparison of Revenue and Expenditure for the period 2013 to 2020.

<i>Year</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>6 Months 2016</i>	<i>2016/2017</i>	<i>2017/2018</i>	<i>2018/2019</i>	<i>2019/2020</i>
<i>Total Revenue</i>	146,164,038	225,157,161	203,244,302	96,156,190	247,911,929	258,729,781	314,572,372	313,528,570
<i>Total Expenses</i>	208,030,647	477,762,618	190,187,276	206,162,296	244,197,692	707,395,914	330,943,750	329,580,371



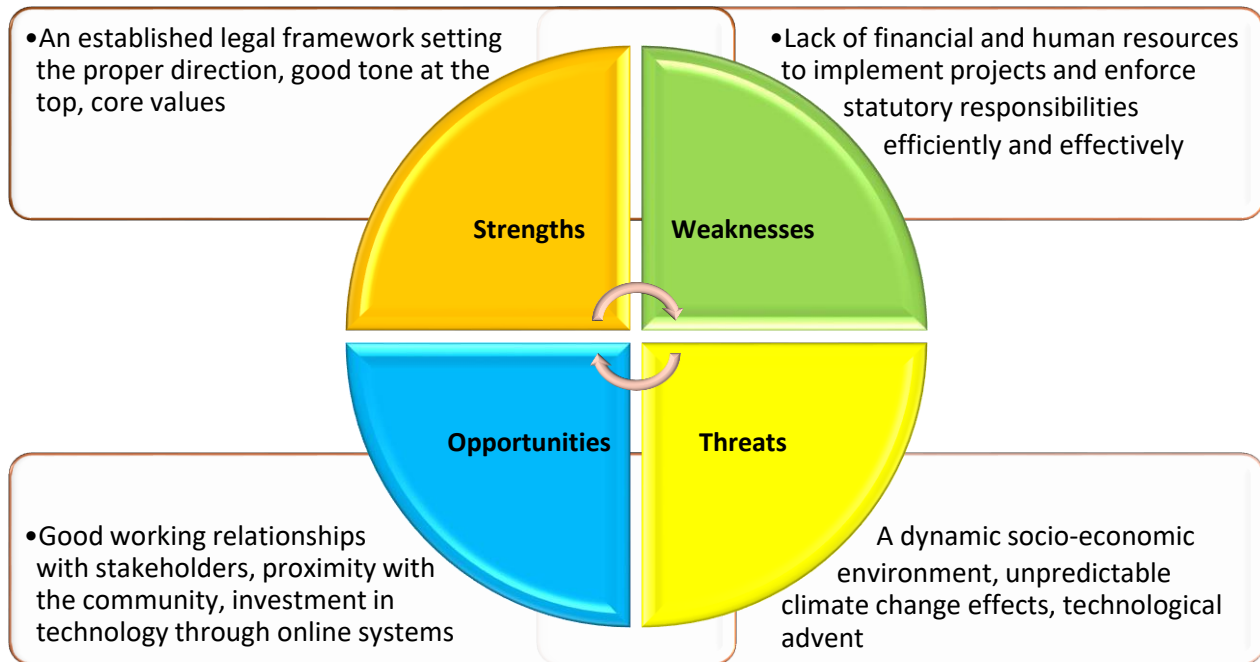
The above chart shows that the Total Expenses is higher than the Total Revenue over the years.

In 2017-18 expenditure was at its highest pick because it was the first time that the interest award in the arbitration case was provided in the financial statements (Rs 438 M).

WAY FORWARD

3. SWOT ANALYSIS

The SWOT Analysis below takes into consideration the conditions under which the Council is operating.



4. CHALLENGES

The Council has to face a number of challenges as follows:

4.1 FINANCIAL AND ECONOMICAL

The District Council of Riviere du Rempart is having increasing demands on one hand and has to manage with limited financial resources on the other hand. With the amendment brought to the Local Government Act 2011, Council is too much dependent on funding from the Central Government. Trade fee for an amount of less than Rs 5,001 has been suspended and trade fee initially payable at Council has been transferred to the Gambling Regulatory Authority, Mauritius Revenue Authority and Tourism Authority.

Community assets constructed by the National Development Unit are being handed to Council for maintenance purpose without any financial support. Similarly, housing estates developed by private promoters are being handed over to Council for the maintenance of drains, roads, street lighting, green space and the payment of street lighting electricity bills without any financial support neither from the Central Government nor from the public in term of local charges or fee.

Consequently, Council has to disburse from its annual revenue to cater for those assets, thus having severe impact on the financial capacity to operate the Council and provide satisfactory services to the inhabitants. On another

note, a Performance Review Committee has been set up in the financial year 2019-20 to review the performance of suppliers/bidders, pursuant to Section 35(1A) (a) of the Public Procurement Act (PPA) 2006 and Directive No 35 from the Procurement Policy Office. In so doing, the Council shall continuously assess the supplier's performance as from the date of award of a contract and notify the latter of any deficiency in performance for remedial actions.

4.2 SOCIAL

The District Council of Riviere du Rempart area has a number of pockets of poverty where households are devoid of the basic sanitation facilities. The ever-growing threat caused by social evils such as drugs, alcoholism and domestic violence, is taking its toll. Poverty and the social uneasy can be alleviated through empowerment, a culture of entrepreneurship and through sport, leisure and recreational activities. Unfortunately, Council with its limited financial resources are being unable to organise such activities.

4.3 TECHNOLOGICAL & I-COUNCIL

In this globalized world fuelled by the digitization revolution, the introduction of new web-based services is essential. To that end, the District Council of Riviere du Rempart is providing online services such as e-payment services, mobile payment facilities, online BLUP application and e-Permit. The District Council needs to keep pace with the latest technological advents through investment in information technology as well as endowing its staff with the appropriate expertise through capacity building.

The Council is embarking on the innovation road map with the aim to provide services effectively and efficiently at the least possible costs. In this context, the Central Government has initiated the implementation of the i-Council project in all local authorities with the aim to computerise the Capital Project Management (CPM) and the Public Infrastructure Maintenance Management System.

4.4 INSOLVENCY

The District Council of Riviere du Rempart has been in constant liquidity problem since its creation in the year 2013 following the splitting of the Pamplemousses/Riviere du Rempart District Council. Very often payment all delayed due to unavailability of liquidity and even the Director of the National Audit Office raised concern on the going concern problem and the ability to continue the provision of services in the future.

4.5 IMPACT OF COVID-19


The COVID 19 has been the tragedy which will not end up so easily in the coming years and it is been foreseen that its effect will surely have on the operation of the Council. The business climate and employment are uncertain.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

THE DISTRICT COUNCIL OF RIVIERE DU REMPART STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	NOTES	30 June 2020	30 June 2019
		RS	RS
ASSETS			
CURRENT ASSETS			
Cash and cash equivalent	10	31,596,734	44,481,998
Investments	9	-	732,252
Receivables from non-exchange transactions	11	13,969,956	16,308,210
Receivables from exchange transactions	11	3,752,640	6,009,195
Inventories	12	5,416,837	6,137,106
Total Current Assets		54,736,166	73,668,761
NON-CURRENT ASSETS			
Property, Plant and Equipment	6	786,363,251	1,301,604,277
Investment Property	7	117,119,408	53,862,791
Intangible assets	8	20,117	35,799
Receivables from non-exchange transactions	11	3,545,593	2,219,961
Total Non-Current Assets		907,048,368	1,357,722,828
TOTAL ASSETS		961,784,534	1,431,391,590
CURRENT LIABILITIES			
Trade payables from exchange transactions	13	30,105,933	36,757,049
Payables from non-exchange transactions	13	260,000	385,000
Borrowings	14	822,195	830,370
Employee retirement benefit obligation	17	10,261,944	13,974,309
Provisions	15	470,799,313	455,478,968
Non-exchange deferred Income	16	651,374,954	1,109,505,710
Prepayments	13	639,800	826,400
Total Current Liabilities		1,164,264,139	1,617,757,806
NET CURRENT LIABILITIES		(1,109,527,973)	(1,544,089,045)
LESS: NON-CURRENT LIABILITIES			
Borrowings	14	10,111,065	10,537,061
Employee retirement benefit obligation	17	344,994,672	289,069,161
Total Non-Current Liabilities		355,105,736	299,606,222
TOTAL LIABILITIES		1,519,369,876	1,917,364,028
NET (LIABILITIES)/ASSETS		(557,585,342)	(485,972,438)
Accumulated deficit		(958,458,398)	(886,589,436)
Reserves	18	400,873,056	400,616,998
TOTAL NET EQUITY		(557,585,342)	(485,972,438)

Approved by Council at its meeting of 29 September 2020


Prembhoodas Elayah
CHAIRMAN


Dheeraj Gopaul
CHIEF EXECUTIVE

The notes 1 to 44 are an integral part of the financial statements. 1

STATEMENT OF FINANCIAL PERFORMANCE FOR YEAR ENDED 30 JUNE 2020

	<u>Notes</u>	<u>2019/20</u>	<u>2018/19</u>
		<u>RS</u>	<u>RS</u>
Revenue from Non-Exchange Transactions			
Trade Fees	19	19,845,875	18,485,975
Government Grant	22	825,680,314	822,224,538
Fines, Penalties and Levies	20	825,250	1,254,175
Other revenue	23	797,724	4,363,341
		<u>847,149,162</u>	<u>846,328,029</u>
Revenue from Exchange Transactions			
Building & Land Use Permit Fee		19,134,202	18,059,058
Rent Income	24	4,853,905	5,669,662
Interest Income	25	4,946,014	7,739,100
Other Revenue	26	2,129,823	2,269,740
		<u>31,063,944</u>	<u>33,737,560</u>
Total Revenue		<u>878,213,106</u>	<u>880,065,589</u>
Expenses:			
Compensation of Employees	27	139,619,150	130,430,838
Remuneration of Councillors		5,000,637	5,101,311
Utilities	28	27,971,678	28,690,765
Motor Vehicle Expenses	29	4,364,200	4,371,182
Repair and Maintenance	30	7,964,357	8,292,813
Cleaning Services	31	82,482,311	77,895,032
Employee Retirement Benefit Obligation	17	9,598,896	11,211,390
Grants and Subsidies	32	15,922,104	13,599,943
Professional and legal fees	33	1,563,643	2,346,207
Finance Cost	34	28,474,242	39,131,487
Other Goods and Services	35	6,619,153	9,872,782
Depreciation and Amortisation charges	6 & 8	564,684,537	565,493,217
		<u>894,264,906</u>	<u>896,436,967</u>
Total Expenses		<u>894,264,906</u>	<u>896,436,967</u>
Deficit		<u>(16,051,801)</u>	<u>(16,371,378)</u>
Other Gains / (Losses):			
Items that will not be re-classified subsequently to Surplus or Deficit			
Recognition of Investment Property		-	35,400,938
Recognition of Property, Plant & Equipment		-	267,937,144
		<u>-</u>	<u>303,338,082</u>
(Deficit)/ surplus for the year		<u>(16,051,801)</u>	<u>286,966,705</u>

The notes 1 to 44 are an integral part of the financial statements.

STATEMENT OF CHANGES IN NET ASSETS / EQUITY FOR YEAR ENDED 30 JUNE 2020

	Passage Fund	Fair Value Reserve	Land Revaluation Reserve	Accumulated Deficit	Total
	RS		RS	RS	RS
Balance At 01 July 2018	3,288,998	66,266,145	30,583,608	(875,849,093)	(775,710,343)
Deficit for the year	-	-	-	(16,371,378)	(16,371,378)
Re-measurement of net defined benefit liability	-	-	-	2,771,200	2,771,200
Fair value adjustment on Investment property	-	35,400,938	-	-	35,400,938
Revaluation surplus on property	-	-	267,937,144	-	267,937,144.4
Transfer to / from accumulated surplus	262,309	-	(3,122,144)	2,859,835	-
Balance At 30 June 2019	3,551,307	101,667,083	295,398,608	(886,589,436)	(485,972,439)
Balance At 01 July 2019	3,551,307	101,667,083	295,398,608	(886,589,436)	(485,972,439)
Deficit for the year	-	-	-	(16,051,801)	(16,051,801)
Re-measurement of net defined benefit liability	-	-	-	(55,561,103)	(55,561,103)
Transfer to / from accumulated surplus	256,058	-	-	(256,058)	-
Balance At 30 June 2020	3,807,365	101,667,083	295,398,608	(958,458,398)	(557,585,344)

CASH FLOW STATEMENTS FOR YEAR ENDED 30 JUNE 2020

	Note	2019/20 <u>RS</u>	2018/19 <u>RS</u>
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts			
Licences and permits		18,585,424	17,800,953
Finance income		792,781	7,597
Government Grant		343,094,596	328,697,583
Other income		8,455,396	8,173,181
Trade Fees		18,392,500	20,947,850
TOTAL		<u>389,320,697</u>	<u>375,627,164</u>
Payments			
Compensation of employees		(135,037,911)	(164,856,904)
Goods and services		(184,344,463)	(140,066,125)
Grants and Subsidies		(2,020,000)	(5,224,217)
Rent paid		(114,000)	(106,500)
Other payments		(41,828,322)	(449,610)
TOTAL		<u>(363,344,696)</u>	<u>(310,703,356)</u>
Cash flow from operating activities		25,976,001	64,923,808
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipments	37	(39,596,218)	(46,334,332)
Proceeds from disposal of investment		732,252	-
Net cash flow used in investing activities		<u>(38,863,966)</u>	<u>(46,334,332)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Repayments of borrowings		(924,000)	(924,000)
Increase In deposits		926,700	1,501,200
Net cash flow from financing activities		<u>2,700</u>	<u>577,200</u>
Net (decrease)/increase in cash and cash equivalents		(12,885,265)	19,166,676
Cash and cash equivalents at beginning of year		<u>44,481,998</u>	<u>25,315,322</u>
Cash and cash equivalents at end of year		<u>31,596,733</u>	<u>44,481,998</u>

The notes 1 to 44 are an integral part of the financial statements.

STATEMENT OF COMPARISON OF BUDGET VS ACTUAL AMOUNT
FOR YEAR ENDED 30 JUNE 2020

	Note	Original Budget RS	Final Budget RS	Actual RS	Performance Difference RS
<u>BUDGETED REVENUE</u>					
Trade Fees		21,500,000	21,500,000	19,845,875	(1,654,125)
Building And Land Use Permit Fee		18,000,000	18,000,000	19,134,202	1,134,202
Government Grant		255,000,000	260,556,297	260,995,776	439,479
Rendering Of Services		2,308,000	2,308,000	2,927,547	619,547
Finance Income		-	-	4,946,014	4,946,014
Rental Income		-	-	4,853,905	4,853,905
Fines, Penalties And Levies		-	-	825,250	825,250
TOTAL BUDGETED REVENUE		296,808,000	302,364,297	313,528,569	11,164,272
<u>BUDGETED EXPENSES</u>					
Compensation Of Employees		136,322,866	139,190,865	139,619,150	(428,285)
Remuneration of Councillors		5,516,780	5,516,780	5,000,637	516,143
Employee Retirement Benefit Obligation		21,675,000	21,675,000	9,598,896	12,076,104
Cleaning Services		69,549,712	72,238,010	82,482,311	(10,244,301)
Utilities		29,785,000	29,785,000	27,971,678	1,813,322
Grants and Subsidies		16,515,000	16,515,000	15,922,104	592,896
Repairs and Maintenance		7,790,000	7,790,000	7,964,357	(174,357)
Motor Vehicles Expenses		4,280,000	4,280,000	4,364,200	(84,200)
Professional and Legal Fees		2,350,000	2,350,000	1,563,643	786,357
Goods and Services		8,995,068	8,995,068	6,619,153	2,375,915
Finance Cost	(i)	589,050	589,050	28,474,242	(27,885,192)
TOTAL BUDGETED EXPENSES		303,368,476	308,924,773	329,580,369	(20,655,596)
<u>NON-RECURRENT</u>					
Advance Car loan payable		(3,000,000)	(3,000,000)	(6,333,797)	(3,333,797)
Advance Car loan received		1,148,000	1,148,000	4,975,264	3,827,264
Government Loan repayable		(924,000)	(924,000)	(924,000)	-
TOTAL NON-RECURRENT		(2,776,000)	(2,776,000)	(2,282,533)	493,467
<u>CAPITAL EXPENDITURE</u>					
Property, plant and equipment		(2,525,000)	(10,525,000)	(24,930,588)	(14,405,588)
APPROVED BUDGETED DEFICIT		(11,861,476)	(19,861,476)	(43,264,922)	(23,403,446)

The notes 1 to 44 are an integral part of the financial statements.

RECONCILIATION OF APPROVED BUDGET DEFICIT TO DEFICIT FOR YEAR ENDED 30 JUNE 2020

APPROVED BUDGETED DEFICIT	(43,264,922)
<u>NON-CASH ADJUSTMENT - EXPENSE</u>	
Depreciation and amortisation	(564,684,537)
Deferred grant recognised in revenue	564,684,537
Exclude Non Profit/(loss) items included above	
Property, plant and equipment	24,930,588
Advance Car loan payable	6,333,797
Advance Car loan received	(4,975,264)
Government Loan repayable	924,000
Deficit for the year	<u>(16,051,801)</u>

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 mainly due to confinement period from Mid-March to May 2020.
- 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 44 are an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2020

1. GENERAL INFORMATION

Reporting Entity

The District Council of Riviere 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, community assets and facilities for local community; collection of household waste collection; issuing of building & land development permit; promotion of sport development and maintenance of public infrastructures 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 2020.

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.

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 2019-20.

Standards	Pronouncement	Effective date	Comply as from
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 where the latter has the power to govern the operating, financial and non-financial policies of controller entity. 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.

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

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(b) REVENUE RECOGNITION – CONTINUED

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 and accrual basis over the lease terms, and it 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 generally recognized on the accrual basis, however it is accounted on the amount actually received when a development permit is issued by the Council.

In practice before a permit for development is issued the officers of the local authority is required to carry out site visit to determine the application of a BLUP.

Under the Section 120 of Local Government Act 2011 (Amended) BLUP issuing local authority has to carried out inspections regularly to ascertain whether the conditions of the permit is being complied and an occupation certificate is issued after the erection of the building.

(iii) Interest Income

Interest income is accrued using a time proportion basis based in accordance with 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.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(b) REVENUE RECOGNITION – CONTINUED

Revenue from Exchange Transactions - continued

(iv) Other Revenue

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

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 where the fair value of the asset can be measured reliably.

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 in advance, else a 50% surcharge is levied on the fee due.

Surcharge on bus toll is recognized separately under fines, penalties and levies in the statement of performance.

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 with provision for receivable for fee collected after the reporting date.

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 – CONTINUED

(b) REVENUE RECOGNITION – CONTINUED

Revenue from Non-Exchange Transactions - continued

Following amendment made to the Local Government Act 2011, as from 1st January 2020, trade fee is being collected by the Corporate and Business Registration Department (CBRD) of the Registrar of Company. The CBRD is also responsible for cessation and debtors monitoring.

(ii) Advertising fee

Advertising fee is recognized as other revenue 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.

(iii) Government Capital Grants

Government grant is not recognized in revenue 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 and with the specific purpose attached to the grant, and related revenue is released to revenue in the period the condition is satisfied.

Grant received for the acquisition of fixed assets whereby Council is required to operate and maintain them until the expiry of their respective economic useful life 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. Grant-in-aid used for acquisition of fixed asset is deferred and released to revenue over the useful economic life of the assets.

(v) Transfer from other government entities

Revenue from non-exchange transactions with other government entities are measured at fair value (deemed cost) and are recognized in the financial statements on obtaining control of the

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(b) REVENUE RECOGNITION – CONTINUED

Revenue from Non-Exchange Transactions – continued

asset, 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 it can be measured reliably.

(i) Donations and Bequests

Donated and bequeathed financial assets are recognized as revenue. A liability is recognized if there are substantive use or return conditions. The liability is released to revenue in the statement of performance as the conditions are met.

(ii) Vested and Donated Physical Assets

Assets received for free of charge or nominal value are recognized at its fair value (Market Value or deemed cost) when the Council obtains control of the asset. The fair value of the asset is recognized as revenue, unless there is a substantial use condition attached to it.

(iii) Donated Services

Volunteer services received during world clean-up campaign and embellishment of villages are not recognized as revenue or expenses by the local authority.

(c) TAXES

Income Tax

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

Value added Tax and Excise Duties

Value added tax and excise duties paid on the procurement of fixed assets, goods and services are not recoverable from the Mauritius Revenue Authority and therefore the tax paid is recognised as part of the cost of acquisition of the asset and expenses.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(c) TAXES - Continued

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.

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.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(d) INVESTMENT PROPERTY – CONTINUED

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 statements. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in 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.

PPE acquired free of charge or for nominal value is recognized at its fair value or deemed cost as at the date of acquisition. When significant parts of the PPE are required to be replaced or renewed at intervals, Council recognized such parts as individual additional assets with a distinct useful life and depreciates them accordingly. While all other repairs and maintenance costs of PPE are expensed to surplus.

Fair Value

Fixed assets acquired in a non-exchange transaction at a nominal cost or free of charge are initially recognized at its deemed cost or its fair value. The fair value gain is accounted in the surplus or in deferred liability when the title of the property is legally transferred by the transferor to the transferee or when control is transferred to the transferee.

Vested Property

Land vested to Council for maintenance purpose and where the title remains with the transferor is not recognized in the financial statements of the Council. Where land is transferred together with the title deed to Council at nominal value, the fair value of the land is recognized under the land revaluation reserve in the Statement of Net Asset / Equity.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(e) PROPERTY, PLANTS AND EQUIPMENT – CONTINUED

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 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 constraints on its use. These land remain the property of the Ministry of Housing and Land and it is recognized as asset in the accounts of the Central Government.

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, roads, resurfacing of existing roads, street lighting network with lantern, sport facilities with lighting, children playground, play equipment, hand rail and other community infrastructures are recognized under the public infrastructure and are depreciated during their economic useful life. 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, revamping of community assets are capitalized.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(e) PROPERTY, PLANTS AND EQUIPMENT – CONTINUED

Class of Assets:

(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.

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 a 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.

(iv) Depreciation of Assets

Depreciation is charged so as to write off the cost of fixed assets less the residual value at the annual estimated rates over their economical useful lives, using the straight-line method. The estimated economical 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.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(e) PROPERTY, PLANTS AND EQUIPMENT – CONTINUED

(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.

(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.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(f) LEASES – CONTINUED

(i) Finance Lease – Continued

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.

(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.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(g) INTANGIBLE ASSETS - CONTINUED

Application software is classified as an intangible asset while operating software is recognized as property, plant and equipment as software cannot be separated from the hardware. 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%)

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 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.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(i) Impairment of Cash Generating Assets - Continued

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.

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

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(ii) Impairment of Cash Generating Assets – Continued

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.

(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:

- Subsequently measured at amortised cost,
 - Fair value through net assets/equity or
 - 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

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(i) FINANCIAL INSTRUMENTS – CONTINUED

(i) Financial Assets – continued

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.

The Council's financial assets include the following:

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.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(i) FINANCIAL INSTRUMENTS – CONTINUED

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.

The Council's financial liabilities include the following:

(a) Interest Bearing Loans and Borrowings

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.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(i) FINANCIAL INSTRUMENTS – CONTINUED

(ii) Financial Liabilities - Continued

(b) 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:

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

(c) 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.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(i) FINANCIAL INSTRUMENTS – CONTINUED

(iii) Financial Liabilities - Continued

(c) De-recognition of financial liabilities - Continued

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, Market fee and bus toll.

(l) PUBLIC CONTRIBUTIONS

Private land and housing estates promoters contributes in the general fund of the council to provide street lighting in morcellement. The contribution is capitalized under the PPE and the contribution is deferred over the economic life of the street lanterns acquired.

(m) DEPOSITS – REFUNDABLE ON DEMAND

Deposit by clients and the general public 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.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(n) 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.

(o) 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.

(p) 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.

(q) 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 or deemed cost at the date of acquisition.

Raw materials are accounted at purchase cost using the weighted average cost method.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(o) INVENTORIES - CONTINUED

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.

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.

(r) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank net of overdraft, cash in hand, short term deposits held at call with banks and other short-term 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.

(s) RECEIVABLES FROM EXCHANGE TRANSACTION AND NON-EXCHANGE TRANSACTIONS

Receivables from exchange transactions are recognized initially at their face value less provision for impairment or 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.

A receivable is considered impaired when there is evidence that the council will not be able to collect the amount due. The amount of impairment is the difference between the carrying amount of the receivable and the present value of the amounts expected to be collected.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

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 adjusted for impairment.

(t) 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.

(u) 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.

(v) 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 a fixed contributions of 12% of the gross emoluments into another entity, the State Investment Company of Mauritius Limited ("SICOM Ltd"), for new full-time employees who joined the local government service as from 1 January 2013.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(t) EMPLOYEE RETIREMENT BENEFIT – CONTINUED

(u) Defined Contribution Plan

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 pays compassionate allowance on the retirement of part time employees who have been in service for more than 5 years. The allowance is computed based on the number of year of services up to the year end, average annual wage for the last 5 years.

(v) Defined Benefit Plan

The Council operates a defined benefit plan, administered by and invested with SICOM Ltd. Council pays 12% and employs pay 6% of gross the emoluments into the fund each month, taking account of the recommendations of the Pay Research Bureau (PRB) report.

Defined benefit plans are post-employment benefit pension plans for employees who joined service before 01 January 2013. 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, compensation and the last gross salary.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(v) EMPLOYEE RETIREMENT BENEFIT – CONTINUED

(vi) Defined Benefit Plan - Continued

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.

(vii) Compensation for Unutilised Sick Leaves

Employee entitlements to sick leave as defined in the PRB report are recognized as and when they accrue to the employees. An accrual is made for the estimated liability for unutilized bank of sick leave to a maximum of 110 days per employee. 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.

(viii) Compensation for 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 to a maximum 210 days per employee. 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.

(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.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(w) EMPLOYEE RETIREMENT BENEFIT – CONTINUED

(x) Termination Benefits - Continued

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 financial aid not covered under the employees retirement benefit.

(v) NATURE AND PURPOSE OF RESERVES

The Council creates and maintains reserves in terms of specific requirements and purpose such as for payment of passage credit and to recognized assets and liabilities at fair value.

Passage Fund

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.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(v) NATURE AND PURPOSE OF RESERVES - CONTINUED

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. Any recognition or de-recognition of such reserve is accounted through the fair value reserve in the statement of equity/Net assets.

Land Revaluation Reserve

The first-time recognition at fair value of land in a non-exchange transaction from the private entities in the context of the development of housing estates. Under the Morcellement Act for each 20 plots of residential land the promoter shall donate on plot free of charge the local authority where the development takes place. Land is also donated to Council for major project of public interest.

These are land are disclosed in the financial statement at deemed cost and the fair value is recognized to 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. Any recognition or de-recognition of such land transferred to Council is accounted through the land revaluation reserve in the Statement of Net Asset / Equity.

(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.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(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

Central Government

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. The Central Government through the Ministry of Finance and Economic Development and the Ministry of Local Government, Disaster and Risk Management have significant influence in local authority policy decisions making and functioning.

Key Management

Members of key management are regarded as related parties having influence in the day to day operation of the Council which are comprised of the Chairperson, Vice-Chairperson, District Councillors, Chief Executive, Deputy Chief Executive, Head of Departments and Officer-in-charge of Departments.

Village Councils

Village Councils are separate legal entities as stipulate in the local Government Act 2011. All operating decisions are influenced by the village councilors. The Chief Executive and the Financial Controller of the District Council is responsible for overseeing the administration and management of funds of the village councils. 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 the statement of performance.

3 SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(z) EVENTS 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 is prepared on the cash basis, that is, all planned costs and income are presented in a single statement to determine the needs of the Council. As a result of the difference in the basis of preparation of the budget and the financial statements, a reconciliation between the actual comparable amounts and the amount presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

The Minister of the parent ministry approves the budget estimates with or without amendment in compliance with Section 85 of the LGA 2011 in consultation with the Local Authorities Governance Unit of the Ministry of Finance and Economic Development.

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 is submitted to the Ministry with revised expenditure and revenue.

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.

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

4 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTION AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND ESTIMATES - Continued

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. All the policy decision and all enactment s under the Local Government are influenced by the Central Government As a result, Council is of the view and opinion 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.

4 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTION AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND ESTIMATES - Continued

(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.

5 FINANCIAL RISK MANAGEMENT (Continued)

(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.

The District Council of Riviere du Rempart - Annual Report for period July 2019 to June 2020

6 PROPERTY, PLANT AND EQUIPMENT

	<u>Land</u>	<u>Building</u>	<u>Asset under construction</u>	<u>Public Infrastructure</u>	<u>Computer & Equipment</u>	<u>Furniture, Fixtures & Fittings</u>	<u>Motor Vehicles</u>	<u>Total</u>
	<u>RS</u> 0%	<u>RS</u> 5%	<u>RS</u> 0%	<u>RS</u> 20%	<u>RS</u> 25%	<u>RS</u> 20%	<u>RS</u> 20%	<u>RS</u>
Depreciation Rate:								
COST:								
As at 01 July 2018	39,071,382	152,607,621	2,644,885	2,720,404,185	16,978,192	6,725,507	37,015,760	2,975,447,531
Additions	267,937,144	689,934	790,372	61,893,849	1,644,422	487,654	-	333,443,375
Transfer to Investment								
Property		(16,559,717)	(1,572,500)					(18,132,217)
Transfer		3,582,531	(3,582,531)					-
Scrap	-	-	-	(3,264,069)	-	-	-	(3,264,069)
As at 30 June 2019	<u>307,008,526</u>	<u>140,320,368</u>	<u>(1,719,774)</u>	<u>2,779,033,965</u>	<u>18,622,614</u>	<u>7,213,161</u>	<u>37,015,760</u>	<u>3,287,494,621</u>
As at 01 July 2019	307,008,526	140,320,368	(1,719,774)	2,779,033,965	18,622,614	7,213,161	37,015,760	3,287,494,621
Additions	-	-	-	32,241,820	1,874,848	305,365	15,011,546	49,433,579
Scrap	-	-	-	-	(146,143)	-	-	(146,143)
As at 30 June 2020	<u>307,008,526</u>	<u>140,320,368</u>	<u>(1,719,774)</u>	<u>2,811,275,785</u>	<u>20,351,320</u>	<u>7,518,526</u>	<u>52,027,306</u>	<u>3,336,782,057</u>
ACCUMULATED DEPRECIATION:								
As at 01 July 2018	-	21,650,354	-	1,355,262,448	13,194,386	2,937,154	30,334,647	1,423,378,989
Charge for the year	-	6,498,257	-	550,760,004	2,719,624	1,263,134	4,186,148	565,427,167
Disposal/Scrap	-	-	-	(2,915,812)	-	-	-	(2,915,812)
As at 30 June 2019	<u>-</u>	<u>28,148,611</u>	<u>-</u>	<u>1,903,106,639</u>	<u>15,914,010</u>	<u>4,200,288</u>	<u>34,520,795</u>	<u>1,985,890,344</u>
As at 01 July 2019	-	28,148,611	-	1,903,106,639	15,914,010	4,200,288	34,520,795	1,985,890,344
Charge for the year	-	6,668,966	-	550,289,497	1,770,236	1,158,121	4,782,035	564,668,855
Disposal/Scrap	-	-	-	-	(140,393)	-	-	(140,393)
As at 30 June 2020	<u>-</u>	<u>34,817,577</u>	<u>-</u>	<u>2,453,396,136</u>	<u>17,543,854</u>	<u>5,358,409</u>	<u>39,302,830</u>	<u>2,550,418,807</u>
Carrying Value	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
As at 30 June 2020	<u>307,008,526</u>	<u>105,502,791</u>	<u>(1,719,774)</u>	<u>357,879,649</u>	<u>2,807,466</u>	<u>2,160,116</u>	<u>12,724,476</u>	<u>786,363,250</u>
As at 30 June 2019	<u>307,008,526</u>	<u>112,171,757</u>	<u>(1,719,774)</u>	<u>875,927,326</u>	<u>2,708,604</u>	<u>3,012,872</u>	<u>2,494,965</u>	<u>1,301,604,277</u>

Note:

The carrying amount of the fixed assets approximate their fair values.

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 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.

7 INVESTMENT PROPERTY

2019/20	2018/19
<u>RS</u>	<u>RS</u>
Building	
As at 01 July	-
Additions	329,636
Recognised at cost during the year	18,132,217
Recognised at fair value during the year	35,400,938
As at 30 June	53,862,791

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 have been recognised in surplus or deficit and are as follows:

2019/20	2018/19
<u>RS</u>	<u>RS</u>
Riviere du Rempart Market	1,489,800
Petit Raffray Multipurpose Complex	193,000
Cafeteria Building	200,000
Commercial Building - Riviere du Rempart	12,000
	1,894,800

(ii) Direct operating expenses (including repairs and maintenance) arising from investment property during the period amounted to Rs 311,368

The fair value of the investment property 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

2019/20	2018/19
<u>RS</u>	<u>RS</u>
Cost	
As at 01 July	402,938
Addition	40,230
As at 30 June	443,168
Depreciation	
As at 01 July	341,319
Charge for the year	66,050
As at 30 June	407,369
Carrying Value	35,799

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

9 INVESTMENTS	2019/20	2018/19
	RS	RS
Short term investments	-	732,252
It relates to fixed deposits held with financial institutions presently having floating interest rate of 2.3%. The maturity date was 27 February 2020 and the deposits were not renewed.		
10 CASH AND CASH EQUIVALENT	2019/20	2018/19
	RS	RS
Cash in Hand	9	9
Cash at Bank	31,596,725	44,481,989
	31,596,734	44,481,998
Amount available for Capital Projects	-	-
Amount of significant cash and cash equivalent held by the Council that are not available for use by the Council are:		
Deposits from public including private entities.	9,958,812	9,468,912
Retention Monies held for payment to contractors	9,704,799	5,496,677
Passage Fund	13,792,854	12,967,639
	33,456,465	27,933,228
Funds available for Council use	(1,859,732)	16,548,770
11 RECEIVABLES	2019/20	2018/19
	RS	RS
(i) RECEIVABLES FROM EXCHANGE TRANSACTIONS		
Market Fee	5,754,644	5,928,289
Bus Toll	45,100	2,011,850
Rent	160,000	-
Other receivables	96,546	118,906
	6,056,290	8,059,045
Allowance for impairment	(2,303,650)	(2,049,850)
Net receivables from exchange transactions	3,752,640	6,009,195
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		
(ii) RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS		
Advertising Fee	703,050	520,200
Advance to Employees	4,562,304	2,995,314
Government Grant	5,390,600	13,941,884
Trade fees	131,599,450	129,645,575
Other receivables	5,173,920	1,592,773
	147,429,323	148,695,747
Allowance for impairment	(129,913,775)	(130,167,575)
Net receivables from non-exchange transactions	17,515,548	18,528,172
Non-Current Receivables	3,545,593	2,219,961
Current Receivables	13,969,956	16,308,210

11 RECEIVABLES (CONTINUED)

RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS (CONTINUED)

Advance to Employees refers to car loan granted to employees fair valued using an effective rate of 7.66% following early adoption of IPSAS 41.

Advance to employees	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Balance at Start	2,995,314	3,507,020
Fair value adjustment (<i>refer to Note below</i>)	232,700	(259,802)
New Borrowing	2,377,167	449,610
Amount repaid	(1,018,634)	(701,514)
Amount repayable	(24,243)	-
Balance at Close	<u>4,562,304</u>	<u>2,995,314</u>
Nominal value of loan	4,589,406	3,255,116
<u>Receivable as follows:</u>		
Current - Before One Year	1,040,954	775,353
Non-current - After One Year	3,548,451	2,479,763

11 RECEIVABLES (CONTINUED)

	<u>Total</u>	<u>Neither past due nor impaired</u>	<u>Past due but not impaired</u>		
			<u><30 days</u>	<u>30-60 days</u>	<u>>60 days</u>
	<u>RS</u>	<u>RS</u>	<u>RS</u>	<u>RS</u>	<u>RS</u>
(i) RECEIVABLES FROM EXCHANGE TRANSACTIONS					
30 June 2020					
Market Fee	5,754,644	(173,645)	-	-	5,928,289
Bus Toll	45,100	45,100	-	-	-
Rent	160,000	160,000	-	-	-
Other receivables	96,546	-	-	7,442	89,104
	<u>6,056,290</u>	<u>31,455</u>	<u>-</u>	<u>7,442</u>	<u>6,017,393</u>
30 June 2019					
Market Fee	5,928,289	-	-	-	5,928,289
Bus Toll	2,011,850	-	-	-	2,011,850
Rent	-	-	-	-	-
Other receivables	118,906	118,906	-	-	-
	<u>8,059,045</u>	<u>118,906</u>	<u>-</u>	<u>-</u>	<u>7,940,139</u>
(ii) RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS					
30 June 2020					
Advertising Fee	272,850	182,850	-	-	90,000
Advance to Employees	4,562,304	4,562,304	-	-	-
Government Grant	5,390,600	5,390,600	-	-	-
Trade fees	131,599,450	1,953,875	-	-	-
Other receivables	5,173,920	27,694	-	-	5,146,226
Total	<u>146,999,123</u>	<u>12,117,322</u>	<u>-</u>	<u>-</u>	<u>5,236,226</u>
30 June 2019					
Advertising Fee	90,000	-	-	-	90,000
Advance to Employees	2,995,314	2,995,314	-	-	-
Government Grant	13,941,884	13,941,884	-	-	-
Trade fees	-	-	-	-	-
Other receivables	1,592,773	1,592,773	-	-	-
Total	<u>18,619,972</u>	<u>18,529,972</u>	<u>-</u>	<u>-</u>	<u>90,000</u>

12 INVENTORIES	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Street Lanterns with Brackets	1,358,425	757,874
Gas	253,843	459,113
Spart Parts, Stationery, Materials, Gas and Other	4,746,685	5,862,235
Office Consumables		
Provision for write-off of obsolete items	(942,116)	(942,116)
	<u>5,416,837</u>	<u>6,137,106</u>

Inventories recognised as an expense during the year ended 30 June 2020 amounted to Rs 13,933,095 (2019 - Rs 20,588,164).

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

13 PAYABLES	<u>2019/20</u>	<u>2018/19</u>
(i) Trade payables from exchange transactions	<u>RS</u>	<u>RS</u>
Trade payables	3,433,108	15,304,392
Retention money payable	9,704,799	5,496,677
Accrued expenses	7,604,014	7,313,467
Stale cheques written-back	45,000	-
	<u>20,786,921</u>	<u>28,114,537</u>
(ii) Trade payables from non-exchange transactions		
Exempt trade fee refundable	260,000	385,000
	<u>260,000</u>	<u>385,000</u>
(iii) Prepayment		
Rent and bus toll paid in advance	639,800	826,400
(iv) Deposits and Guarantee		
Deposit refundable for Market Stall, Halls & Guarantee	9,319,012	8,642,512
	<u>31,005,733</u>	<u>37,968,449</u>

The ageing analysis of payables (excluding prepayment) is as follows:

On demand	10,009,799	5,496,677
> 3 months	11,037,122	23,002,859
3 - 12 months	9,319,012	8,642,512
	<u>30,365,933</u>	<u>37,142,049</u>

14	BORROWINGS	2019/20	2018/19
		RS	RS
	Balance at Start	11,367,431	12,936,000
	Fair value adjustment (<i>refer to Note below</i>)	588,899	(743,640)
	New Borrowing	-	-
	Reimbursement	(924,000)	(924,000)
	Increase in discounted amount during the period	(99,071)	99,071
	Balance at Close	<u>10,933,260</u>	<u>11,367,431</u>
	<u>Payable as follows:</u>		
	Current - Before One Year	<u>822,195</u>	<u>830,370</u>
	Between one and five years	3,344,876	3,383,025
	After Five Years	<u>6,766,189</u>	<u>7,154,036</u>
	Non-Current	<u>10,111,065</u>	<u>10,537,061</u>
	Nominal value of loan	11,088,000	12,012,000
	<u>Payable as follows:</u>		
	Current - Before One Year	<u>924,000</u>	<u>924,000</u>
	Between one and five years	3,696,000	3,696,000
	After Five Years	<u>6,468,000</u>	<u>7,392,000</u>
	Non-Current	<u>10,164,000</u>	<u>11,088,000</u>
<p>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% bases on the market average rate of interest.</p>			
<p>The ageing analysis of borrowings is as follows:</p>			
	3 - 12 months	822,195	830,370
	1 - 5 years	3,344,876	3,383,025
	> 5 years	<u>6,766,189</u>	<u>7,154,036</u>
		<u>10,933,260</u>	<u>11,367,431</u>
15	PROVISIONS	2019/20	2018/19
		RS	RS
	Interest accrued on the capital of Rs 72.9 M award to Alphamix Ltd	<u>470,799,313</u>	<u>455,478,968</u>
		<u>470,799,313</u>	<u>455,478,968</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 2020 amount to Rs 470,841,287.

16 DEFERRED INCOME	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Opening balance	1,109,505,710	1,604,644,436
Additional Government Grant	103,836,172	65,648,264
Transfer to Revenue	(564,668,855)	(565,427,167)
Public Contribution and donation deferred	2,701,927	4,640,177
	<u>651,374,954</u>	<u>1,109,505,710</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.

17 EMPLOYEE BENEFIT OBLIGATION	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Provision for Unutilised Sick Leave Pay	32,923,251	33,734,522
Provision for vacation leave pay	33,832,848	31,595,586
Passage benefit	10,200,240	9,267,297
Provision for Retirement pension and gratuity	278,300,277	228,446,065
	<u>355,256,616</u>	<u>303,043,470</u>
Current Liabilities	<u>10,261,944</u>	<u>13,974,309</u>
Non-Current Liabilities	<u>344,994,672</u>	<u>289,069,161</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.

17 EMPLOYEE RETIREMENT BENEFIT OBLIGATION	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Amounts recognised in balance sheet at end of period/year:		
Defined benefit obligation	415,601,014	344,966,476
Fair value of plan assets	(137,362,441)	(117,518,641)
Liability recognised in statement of financial position at end of year	278,238,573	227,447,835
Amounts recognised in income statement:		
Service cost:		
Current service cost	11,204,146	8,702,754
Past service cost	-	-
(Employee contributions)	(3,795,232)	(3,842,535)
Fund Expenses	227,692	314,777
Net Interest expense/(income)	7,929,875	14,606,596
Profit Loss Charge	15,566,481	19,781,592
Re-measurement:		
Liability (gain)/loss	62,946,292	(4,007,999)
Assets (gain)/loss	(7,385,189)	1,236,799
Total Other Comprehensive Income (OCI) recognised	55,561,103	(2,771,200)
Total	<u>71,127,584</u>	<u>17,010,392</u>

17	EMPLOYEE RETIREMENT BENEFIT OBLIGATION (CONTINUED)	2019/20	2018/19
		RS	RS
	Movements in liability recognised in balance sheet:		
	At start of period/ year	227,447,835	230,613,772
	Amount recognised in P&L	15,566,481	19,781,592
	(Actuarial Reserves transferred in)	-	-
	(Employer Contributions)	(7,589,362)	(7,683,847)
	(Direct benefits paid by Employer)	(12,747,484)	(12,492,482)
	Amount recognised in OCI	55,561,103	(2,771,200)
	At end of period/year	278,238,573	227,447,835
	Actual return on plan assets:	11,701,624	5,707,057

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.

Reconciliation of the present value of defined benefit obligation	RS	RS
Present value of obligation at start of period/year	344,966,476	334,115,537
Current service cost	11,204,146	8,702,754
Interest cost	12,246,310	21,550,452
(Benefits paid)	(15,762,210)	(15,394,268)
Liability (gain)/loss	62,946,292	(4,007,999)
Present value of obligation at end of period/year	415,601,014	344,966,476

Reconciliation of fair value of plan assets	2019/20	2018/19
	RS	RS
Fair value of plan assets at start of period/year	117,518,641	103,501,765
Expected return on plan assets	4,316,435	6,943,856
Employer contributions	7,589,362	7,683,847
Employee contributions	3,795,232	3,842,535
Actuarial Reserves transferred in	-	-
(Benefits paid, Assurance, Fees and Other Outgoings)	(3,242,418)	(3,216,563)
Asset gain/(loss)	7,385,189	(1,236,799)
Fair value of plan assets at end of period/year	137,362,441	117,518,641

Distribution of plan assets at end of period/year	2019/20	2018/19
Percentage of assets at end of year		
Fixed Interest Securities and cash	61.70%	58.70%
Loans	3.00%	3.40%
Local equities	10.10%	13.10%
Overseas bonds and equities	24.60%	24.20%
Property	0.60%	0.60%
Total	100%	100%

17 EMPLOYEE RETIREMENT BENEFIT OBLIGATION (CONTINUED)

Additional disclosure on assets issued or used by the Council

	(%)	(%)
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	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Asset experience gain/(loss) during the period/year	7,385,189	(1,236,799)
Liability experience gain/(loss) during the period/year	(62,949,292)	4,007,999
	<u>(55,564,103)</u>	<u>2,771,200</u>

Year	<u>2019-20</u>
Expected employer contributions (Rs)	7,757,439

Weighted average duration of the defined benefit obligation 14 years
(Calculated as a % change in PV of liabilities for a 1% change in discount rate)

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>2019/20</u>	<u>2018/19</u>
Discount rate	3.55%	6.45%
	2.40%	4.00%
Future pension increases	1.40%	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 50.7 M (increase by Rs 62.8 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 26.8 M (decrease by Rs 23.4 M) if all assumptions were held unchanged.assumptions were held unchanged.

17 EMPLOYEE RETIREMENT BENEFIT OBLIGATION (CONTINUED)

- If life expectancy would increase (decrease) by one year, the defined benefit obligation would increase by Rs 13.6 M (decrease by Rs 13.5 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.

18 RESERVES

	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Balance at Start	400,616,998	100,138,751
Fair Value Reserve	-	35,400,938
Land Revaluation Reserve	-	264,815,000
Passage Fund	256,058	262,309
Balance at Close	400,873,056	400,616,998

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

19 TRADE FEES

	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Annual trade fee received	19,828,875	18,458,925
Occasional trade fee received	17,000	27,050
	19,845,875	18,485,975

20 FINES, PENALTIES AND LEVIES

	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Surcharge on late payment of trade fee	500,500	683,875
Surcharge on bus toll	24,750	170,300
Building and Land Use Permit (BLUP) fines	300,000	400,000
	825,250	1,254,175

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.

21 PUBLIC CONTRIBUTIONS AND DONATIONS

	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Street Lanterns Network	509,000	-
Sponsorship and donations in Kind	160,685	-
	669,685	-
Unspent balance at beginning of year	4,640,177	3,796,077
Current year receipts	669,685	1,631,850
Conditions met - Transferred to Revenue	(2,607,935)	(787,750)
Conditions to be met - Deferred Revenue (Liabilities)	2,701,927	4,640,177

22 GOVERNMENT GRANT	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Grant-in-aid	257,268,000	260,565,630
Project Related Revenue Grant	7,744,819	3,471,751
Project Related Capital Grant	68,110,781	62,199,112
Grant in Kind	38,177,832	-
	<u>371,301,432</u>	<u>326,236,493</u>
Transfer from deferred grant for condition met	564,668,855	518,504,125
Conditions attached to grant not met - Deferred Liabilities	-	(1,102,870)
Transferred to Deferred Income liabilities	(110,289,974)	(21,413,210)
Grant recognised as revenue in surplus / (deficit)	<u>825,680,314</u>	<u>822,224,538</u>

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.

23 OTHER NON-EXCHANGE REVENUE	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Advertising Fee	323,150	328,110
Public Contributions	-	335,000
Road obstruction fee	157,000	167,000
Other Income	317,574	3,533,231
	<u>797,724</u>	<u>4,363,341</u>

24 RENT INCOME	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Market Stall Fee	3,864,905	5,041,500
Rental Income	989,000	628,162
	<u>4,853,905</u>	<u>5,669,662</u>

25 INTEREST INCOME	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Investment income	428,343	525,144
Interest on advance car loan to staff	201,235	270,100
Return on Employee's Pension Fund Plan	4,316,435	6,943,856
	<u>4,946,014</u>	<u>7,739,100</u>

Interest generated from investment of passage fund amounting to Rs 256,058 (2019 - Rs 262,309) was transferred to passage reserve fund in equity in compliance with Section 81 of the Local Government Act. Return on employee retirement plan benefit managed by SICOM Ltd has been recognised as finance income in the statement of financial performance in compliance with IPSAS 39.

26	OTHER EXCHANGE REVENUE	<u>2019/20</u>	<u>2018/19</u>
		<u>RS</u>	<u>RS</u>
	School Fee	79,400	103,800
	Bus Toll	1,158,100	1,194,000
	Burial & Incineration Fee	792,800	771,100
	Other	99,523	200,840
		<u>2,129,823</u>	<u>2,269,740</u>
27	COMPENSATION OF EMPLOYEES	<u>2019/20</u>	<u>2018/19</u>
		<u>RS</u>	<u>RS</u>
	Basic Salary	86,690,656	84,854,545
	Salary Compensation	4,679,283	3,079,198
	Interim Allowance PRB	2,099,000	-
	Overtime	6,523,836	5,064,335
	Allowances & Extra Remuneration	2,118,890	1,614,949
	Uniform and Protective Equipment	2,058,013	2,269,899
	Contribution to Pension Fund	3,096,685	2,606,799
	Contribution to NPF, NSF, FPS and Levy	3,839,379	3,521,987
	Provision for Passage Benefit	3,336,555	3,458,033
	Travelling and Transport	10,909,155	11,990,605
	Training Cost	42,464	88,289
	Provision for Unutilised Sick and Vacation Leaves Pay	6,330,859	4,084,752
	End of Year Gratuity	7,654,565	7,566,253
	Staff Welfare	239,808	231,194
		<u>139,619,150</u>	<u>130,430,838</u>
28	UTILITIES	<u>2019/20</u>	<u>2018/19</u>
		<u>RS</u>	<u>RS</u>
	Electricity	25,096,853	25,481,213
	Water	675,131	720,463
	Gas	1,227,245	1,480,063
	Telephone	972,448	1,009,027
		<u>27,971,678</u>	<u>28,690,765</u>
29	MOTOR VEHICLE EXPENSES	<u>2019/20</u>	<u>2018/19</u>
		<u>RS</u>	<u>RS</u>
	Fuel and Oil	2,650,224	2,720,498
	Repairs and Maintenance	1,235,460	1,145,116
	Road tax and Insurance	478,516	505,568
		<u>4,364,200</u>	<u>4,371,182</u>

30	REPAIRS AND MAINTENANCE	<u>2019/20</u>	<u>2018/19</u>
		<u>RS</u>	<u>RS</u>
	Building, Village Halls and other Structure	444,280	940,555
	Furniture, Fittings and Equipment	2,547,699	2,379,595
	Roads and Traffic Sign	1,681,681	2,155,936
	Street Lighting Networks	2,332,559	1,136,339
	Sport and leisure facilities	150,914	336,044
	Public Infrastructure and Community Assets	68,099	293,079
	Cemetries, Incinerators and Cremation Grounds	332,874	450,924
	Other repair and maintenance	406,251	600,341
		<u>7,964,357</u>	<u>8,292,813</u>
31	CLEANING SERVICES	<u>2019/20</u>	<u>2018/19</u>
		<u>RS</u>	<u>RS</u>
	Scavenging Services	73,875,099	68,287,200
	Hire of Cleaning Equipment	403,250	704,100
	Cleaning of Public Toilets	727,700	444,260
	Cleaning of Drains, Rivers and Bareland	2,512,093	2,143,284
	E-Waste and Bulky Waste Collection	374,303	1,143,611
	Refuse bins	3,978,253	4,900,000
	Cleaning materials and other	611,613	272,577
		<u>82,482,311</u>	<u>77,895,032</u>
32	GRANTS AND SUBSIDIES	<u>2019/20</u>	<u>2018/19</u>
		<u>RS</u>	<u>RS</u>
	Grant to Village Councils	12,890,171	12,906,886
	Grant to NGO's and Socio-Cultural Groups	252,000	252,777
	Grant to Sport Organisations	50,000	35,000
	Financial and Social Aid	112,630	100,490
	Contribution to Association of District Councils	265,000	304,790
	Rehabilitation of Damaged Private Property	2,352,303	-
		<u>15,922,104</u>	<u>13,599,943</u>
	Rehabilitation work was carried out in the village of Cottage following flash flood of April 2019 implemented under the Central Government Emergency Board Rehabilitation Programme. Boundary wall for the value of Rs 2,352,303 was constructed by the District Council for private property damaged by floods.		
33	PROFESSIONAL AND LEGAL FEES	<u>2019/20</u>	<u>2018/19</u>
		<u>RS</u>	<u>RS</u>
	Audit fee	400,000	200,000
	Legal fee	577,186	582,980
	Professional and Consultancy fee	586,457	1,563,226
		<u>1,563,643</u>	<u>2,346,207</u>

34 FINANCE COSTS	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Loan Interest	597,495	736,164
Other Interest	27,566,655	38,395,322
Fair value adjustment on concessionary loan	310,092	-
	<u>28,474,242</u>	<u>39,131,487</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.

35 OTHER GOODS AND SERVICES	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Printing, Postage & Stationery	1,181,369	1,371,407
Press Notice and Publications	387,695	256,152
Books and Periodicals	224,947	226,425
Committee expenses	156,932	193,651
Entertainment Expense	98,831	94,145
Bank charges and fee	105,731	44,186
Security services	1,521,143	1,739,950
General Insurance	836,754	362,474
Rent payable	120,000	120,000
Organisation of Activities	Note 36 1,465,038	2,726,461
Sundry Expenses	136,286	90,988
Provision for bad debts	-	2,333,750
Other Office Incidentals	30,420	313,194
Assets written-off/scrapped	354,007	-
	<u>6,619,153</u>	<u>9,872,782</u>

36 ORGANISATION OF ACTIVITIES	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Organisation of Social and Welfare Activities	297,323	405,649
Organisation of Cultural and National Activities	806,851	1,036,586
Organisation of Sport and Leisure Activities	278,854	1,092,456
Twinning Activity	-	113,256
Educational Activity	82,009	78,513
	<u>1,465,038</u>	<u>2,726,461</u>

37 NOTES TO CASH FLOW STATEMENTS

	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Reconciliation of net cash flow from operating activities to deficit		
Deficit before other gain/loss	(16,051,801)	(16,371,378)
Adjustments for:		
Finance income	(4,946,014)	(7,739,100)
Finance Charge	28,474,242	28,351,114
Impairment of receivables	2,303,650	2,049,850
Fair Value adj interest - IPSAS 29	(310,092)	(483,838)
Provision for Employee Retirement Benefit Obligation	(9,598,896)	(10,245,675)
Depreciation of Fixed Assets and Intangible Assets	564,684,537	565,493,217
	<u>564,555,628</u>	<u>561,054,190</u>
Changes in Working Capital	<u>RS</u>	<u>RS</u>
(Increase)/Decrease in Inventories	720,269	1,799,339
Increase/(Decrease) in Payables	(6,776,116)	(22,024,895)
Increase/(Decrease) in Deferred liabilities	(458,130,756)	27,014,074
Increase/(Decrease) in Provisions	15,320,345	-
(Increase)/Decrease in Receivables	4,594,810	4,179,222
Increase/(Decrease) in Employee Benefits	(3,712,364)	-
Net cash flow from operating activities	<u>116,571,815</u>	<u>572,021,929</u>

38 RELATED PARTY DISCLOSURES

- (a) Local Authorities (including Village Councils) are controlled by the Ministry of Local Government.
- (b) Related party disclosures have not been made for transactions with central government bodies within a normal supplier or client relationship.
- (c) Transactions with the parent Ministry and the Central Government are disclosed as related party transaction as the government has significant influence in its economic and financial policies.
- (d) Village Councils falling under jurisdiction of the District Council are excluded on the basis that they are financially dependent on the latter, but decision making rest on the Village Councillors. Grant to Village Councils have been disclosed under **Note 32**.

(e) 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.

38 RELATED PARTY DISCLOSURES (CONTINUED)

	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Emoluments		
Chairperson, Vice-Chairperson and District Councillors	5,000,637	5,101,311
Key Management Personnel	5,826,346	6,250,965
Total	<u>10,826,983</u>	<u>11,352,276</u>
 (f) Loan advances to Key Management Personnel	 <u>2019/20</u>	 <u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Opening balance	582,167	724,738
New loans	945,000	-
Repayments	(315,821)	(142,571)
Closing balance	<u>1,211,345</u>	<u>582,167</u>
 (g) Transactions with the Central Government	 <u>2019/20</u>	 <u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Health	1,820	11,000
Publication of Annual report	218,940	-
Road tax	65,500	175,500
Fees for motor vehicle license	100,000	10,000
Fire Certificate	7,700	-
Audit fees	400,000	-
Police assistance	42,750	34,519
Registration fees Data Protection Office	31,500	-
Renewal of Government Gazette	4,000	5,500
	<u>872,210</u>	<u>236,519</u>

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.

	<u>2019/20</u>	<u>2018/19</u>
	<u>RS</u>	<u>RS</u>
Payment due within one year	1,519,151	1,565,521
Payment due within two to five years	5,612,676	5,798,271
Payment due later than five years	8,033,957	9,367,513
	<u>15,165,784</u>	<u>16,731,305</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	800,000
	<u>1,800,000</u>	<u>1,000,000</u>

(iii) Capital Commitments

Approved but not yet contracted:

Public Infrastructure	120,000,000	409,200,000
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Approved and Contracted

Public Infrastructure	323,214,000	8,382,500
Total Capital Commitments	<u>443,214,000</u>	<u>417,582,500</u>

Approval has already been obtained but contract has not yet been awarded for the following projects: Multipurpose Complex at Riviere du Rempart (Rs 50M), Upgrading of Riviere du Rempart Market (Rs 50M), Partitioning of Archives Building and Fixing of Metal Structure (Rs 8M) and MUGA at Riviere du Rempart (Rs 12M).

Fund was approved and contracts were awarded with regards to Incinerator at Belmont and Futsal at Cottage

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. Council's legal officers were of the view that there was no significant financial implication.

There was no significant and material contingent liability or asset on the reporting date.

41 SEGMENT REPORTING

For management purposes, the Council is broadly organised into business and operation programme based on the nature of the duties and works performed namely:

- (a) Administration and Finance
- (b) Provision of Service

Provision of Services is further divided into four department for efficient and effective operation and service delivery to the public:

- (i) Public Infrastructure Department - Cater for the provision and maintenance of public infrastructures.
- (ii) Land Use & Planning Department - Cater for the determination and issue of BLUP and OPP.
- (iii) Public Health Department - Cater for the provision and maintenance of sanitary facilities and market fairs.
- (iv) Welfare Department - Cater for the organisation of educational, social, cultural, welfare and sport activities

Statutory and Non-Statutory Committees have been set up by Council to monitor the operation, for the purpose of decision making and performance assesment of these departments. The departmental performance is measured and evaluated based on non-financial metrics such as the Km of road tarred, tons of waste collected, number of BLUP issued and activities organised.

All revenue and expenses are reported in the Council's financial statements, the reporting entity.

42 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.

43 COMPARATIVE INFORMATION

Certain comparative figures and numbers were re-classified to conform to the current year presentation.

(i) Property, Plant and Equipment

- Public infrastructure prior to 01 January 2013 which were partly recognised under Capital Outlay in the fixed asset schedule have been reassessed and completely recognised under Public Infrastructure, Plant and Equipment based on deemed cost. The opening balance of Public Infrastructure, Plant and Equipment is hence restated with the adjusted figures.

- Land vested by the Ministry of Housing and Lands have been derecognised in the accounts of the Council as they are being accounted for in the books of the Ministry.

(ii) Non-exchange deferred Income

The Council has changed its accounting policy in relation to government grant. 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 whereby the asset acquired will be maintained by Council throughout the economic life of the asset and related revenue will be recognised in the period the condition is satisfied.

44 APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the full Council and authorised for its issue at its meeting of 29 September 2020.

ANNUAL REPORT



JULY 2019 TO JUNE 2020