

# **THE DISTRICT COUNCIL OF GRAND PORT**



## **ANNUAL REPORT FOR FINANCIAL YEAR 2019-2020**



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## **1.0 CHIEF EXECUTIVE'S STATEMENT**

Pursuant to Section 134 (A) of the Local Government Act 2011 as subsequently amended, I have much pleasure to submit Annual report for the District Council of Grand Port for the financial year 2019/2020.

During this financial year, the Council has implemented a number of projects for the benefit of the inhabitants. Such projects include construction of new roads and drains, extension of street lighting network, upgrading of amenities amongst others.

The Covid 19 pandemic has been a real challenge. Council has strived its level best to meet its statutory obligations in service delivery. Though the pandemic was an unprecedented disaster it puts to test the capacity and ability of our organisation.

The District Council has tried its level best to deliver and meet the expectations of local people by providing uninterrupted refuse collection service and street lighting. I have to admit that the cooperation and collaboration of all employees of the Council during the lockdown period was an important factor which helped our District Council to meet the challenges. I am thankful to my dedicated, loyal and committed personnel for having spared the necessary effort to ensure that policy decisions taken by the Council are implemented in a timely and transparent way.

I wholeheartedly thank all employees but here I have a special word of appreciation to all the frontliners viz Refuse Collectors, Electricians, Health Inspectors, Drivers and other employees.

Last but not least I seize this opportunity to thank the Chairperson, Vice Chairperson, District Councillors, and my staff for their unflinching support for the smooth running of the affairs of the Council.

**R. GANGADEEN**  
**SUPERVISING OFFICER**

## **2.0 Chairperson's Statement**

I am pleased to present the Annual Report for financial year 2019/2020 for the District Council of Grand Port.

The provision of services as laid down in the Local Government Act 2011 as subsequently amended has been achieved and the implementation of projects have been possible through hard work and team spirit of Council members and staff. I have here a special word of appreciation for all the staff of the Council and all the frontliners who worked with dedication during the confinement period following COVID19 pandemic.

I wish here to place on record my appreciation for all the works undertaken by the Council. I seize this opportunity to thank the Deputy Chairperson, Chairperson and vice Chairperson of Village Councils as well as all my colleagues Councillors for their support and dedication.

My heartfelt thanks also go to the Chief Executive, Deputy Chief Executive, Assistant Chief Executives, Head of Departments and staff of the Council for their unflinching support, collaboration and commitment to serve the public.

**RAJEEV KUMAR JANGI**  
**CHAIRPERSON**

### 3.0 MISSION, VISION AND VALUE STATEMENT

#### Our Mission

To ensure that The District Council of Grand Port fulfills its statutory commitments effectively and efficiently and the area it serves becomes a better place to live in.

#### Our Vision

To promote a prosperous and developed society in an enabling environment where citizens are able to achieve their full potential, in full enjoyment of their human rights, with due respect to gender equality.

To uphold economic, social, cultural and value-based developments.

#### Our Core Values

We are dedicated to the mission and we exert ourselves with commensurate responsiveness to the needs of our customers by adopting the following guiding factors in our quest:

- ***Integrity:*** Always dealing with our stakeholders and in particular with our clients and our colleagues in a fair and ethical manner, gaining trust through our actions.
- ***Respecting people:*** By encouraging a courteous, ethical, honest, fair and equitable workplace. Understanding cultural diversity issues and valuing the views of our interlocutors in the performance of our daily duties.
- ***Valuing staff:*** By training them for providing the highest quality service and giving due recognition to staff performance, encouraging and supporting career development and providing continuous learning.
- ***Professionalism:*** To be committed to work - ethics, confidentiality, impartiality and discipline.
- ***Service Excellence:*** To be committed at every level to provide an excellent service.
- ***Teamwork:*** To foster team spirit among all employees, departments and the Council for goal achievement.
- ***Punctuality:*** To be committed to delivering services within the prescribed delay.

#### Our Commitment

To always maintain a high standard of service, to be diligent in providing facilities to improve the quality of public services offered and ensure that such services respond to the needs and wishes of the citizens as well as to contribute to their well-being and development.

## **4.0 INFORMATION ABOUT THE DISTRICT COUNCIL OF GRAND PORT**

**Location:** A10, Royal Road, Rose Belle

**Web Site:** <http://www.dcgp.mu>

**Email:** [dcgp@mail.govmu.org](mailto:dcgp@mail.govmu.org)

**Fax:** 627 4640

**Tel:** 627 4542/627 7605

### **LEGAL ENTITY**

The District Council of Grand Port is set up in accordance with Section 7 (2)(g) of the Local Government Act 2011 as subsequently amended and falls under the portfolio of the Ministry of Local Government and Outer Islands.

The purpose of this Council is to deliver service at grass root level for the benefit of the local community. There are approximately 116,000 residents who rely on the many services we provide and we are very much conscious that these services impact upon the daily lives of local people. Hence, we aim at delivering service in an effective and efficient manner at all times, whilst strictly adhering to our core values.

### **CONSTITUTION**

The office of the District Council is headed by the Chief Executive. The Council, represented by its Chairperson issues general policy guidelines on the activities of the Council over which he presides. The District Council of Grand Port lies in the Southern Eastern part of the Republic of Mauritius and consists of 24 Village Councils. With the exception of Mahebourg, Rose Belle, Plaine Magnien and New Grove which have 2 representatives each at the Council, the other 20 villages have 1 representative each, making a total of 28 members. The 28 members elect a Chairperson and a Vice Chairperson among themselves for 2 years mandate.

**AREA OF DISTRICT**                      260.3 Km<sup>2</sup>

### **ECONOMIC ACTIVITIES**

The Council area is predominantly agricultural with hectares of sugarcane fields. With recent developments in the Tourism Industry, the several hotels, guest houses, restaurants have emerged. Fishing and aquaculture represent other sources of revenue for the locals.

### **INFRASTRUCTURE- ROADS**

The district has a developed road network which eases trade and vehicular movements within its area.

### **UTILITIES**

Electricity, telephone and water supply are accessible to almost every household.

### **COMMUNICATION**

Communication is well-established in the district and the business world is connected through the internet, telephone, fax etc.

### **TRANSPORT**

Public transport is readily available and there is a sound road network linking the villages, towns and city.

### **PUBLIC FACILITIES FOUND WITHIN THE DISTRICT COUNCIL AREA**

- Police Stations
- Hospitals
- Area Health Centres
- Places of Worship (R.C. Churches, Shivalas, Kovils, Mandiramu Mosques, etc)
- Cemeteries
- Schools
- Airport
- Post Offices
- Village Halls
- Multipurpose Centres
- Libraries
- Markets/ Fairs

### **SPORTS INFRASTRUCTURES**

- Football Playgrounds (31)
- Volleyball Pitch (13)
- Petanque Courts (10)
- Basketball Pitch (6)
- Stadium (1)
- Outdoor Gym Equipment (2)
- Mini Soccer Pitch (2)

## **PLACES OF ATTRACTION**

Some of the main places of attraction in the district are: -

1. Domaine Lagrave
2. SSR International Airport
3. National History Museum
4. Blue Bay Marine Park
5. Mahebourg Water front
6. Domaine du Chasseur
7. Vallée de Ferney
8. Pointe Canon, (Monument to commemorate the abolishment of slavery)
9. Dutch settlement at Old Grand Port
10. Mahebourg market
11. Plaisance Family Village Mall
12. Le Vieux Moulin

## **ANIMATION & CULTURE**

The District is Multi-Cultural. Hindus, Christians, Muslims, Tamil and Chinese form a kaleidoscope of culture and live-in perfect harmony, thus promoting a unique social osmosis which stands out as a model to the world.

## **SPORTS ACTIVITIES**

Football remains the most popular Sport activity. Many football players of the region form part of the national team. Badminton, Boxing, Handball, Volleyball and Basket Ball are also popular among inhabitants of Grand Port.

### **2.1 HISTORICAL DEVELOPMENT OF GRAND PORT**

The history of Mauritius is closely related to Grand Port. Indeed, on 20 September 1598 Dutch captain Van Warwick landed on the shores of Mauritius at Ferney to repair his ships which were damaged by storms and to look for food and fresh water. Forty years later that is in 1638, the Dutch came to settle in Mauritius and built a fort at Vieux Grand Port. They left the island on 1710.

A monument to remind us of the Dutch settlement in Mauritius stands at Ferney. When the Dutch departed, the French came and settled at Grand Port in 1722. The island was named Ile de France. Vieux Grand Port was built by Denyon. Also, Mahebourg was built by the last French Governor of Ile de France, Decaen, at the mouth of River La Chaux and was named after Mahé de Labourdonnais.

The French also built a fort at Ile de la Passe. In 1810, the famous battle of Vieux Grand Port between the French and the English took place. Many items and artefacts such as canons, bullets, haul of magicienne battleship and porcelain related to the battle are displayed at the National History Museum of Mahebourg.

Developments around the island and at Grand Port during the various colonies were mostly effected by slaves who chose to stay along the coast after the abolition of slavery in 1835. A monument to commemorate the abolition of slavery stands at Pointe Canon, Mahebourg.

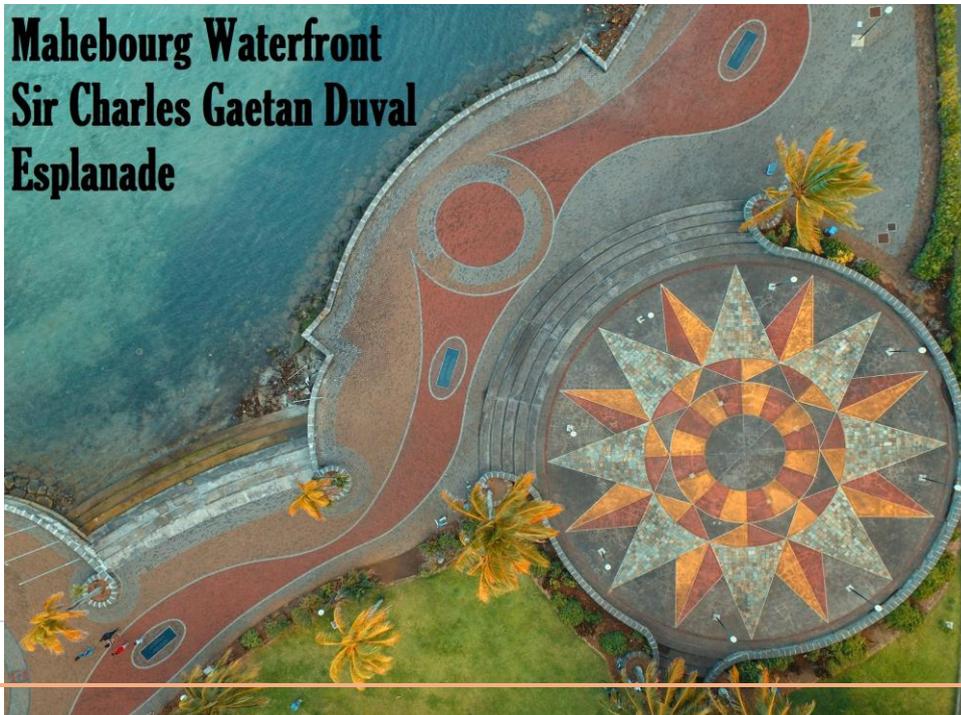
## 2.2 LOGO OF THE DISTRICT COUNCIL OF GRAND PORT



The logo has been designed as a coat of arms and highlight site historical landmarks and attractions of the Grand Port District, namely: the landing of the Dutch, the famous battle of Vieux Grand Port, the SSR international airport and the slavery memorial including the rich fauna of and the unique attractions of this multi-faceted district.

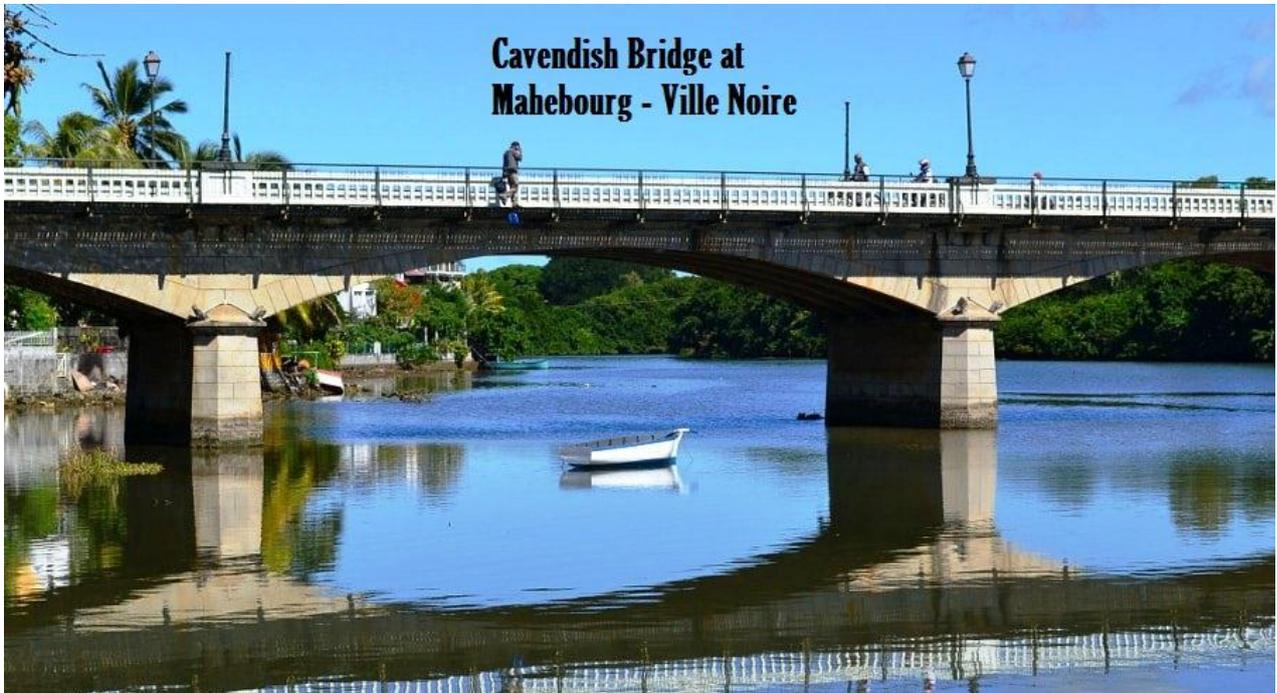
The blue lagoon with its handful of islets, the legendary Mahebourg regatta and the fortresses that once protected this part of the island enhance the overall aesthetic look. The main image icon is itself surrounded, as if protected, by the words 'District Council of Grand Port' illustrated in a simple and legible typography that adds a touch of class to the logo.

## 2.3 PLACES OF INTEREST IN GRAND PORT





**Monument of first landing of the Dutch in Mauritius**



**Cavendish Bridge at Mahebourg - Ville Noire**



**Mahebourg Musuem**



**La Vallee de Ferney**

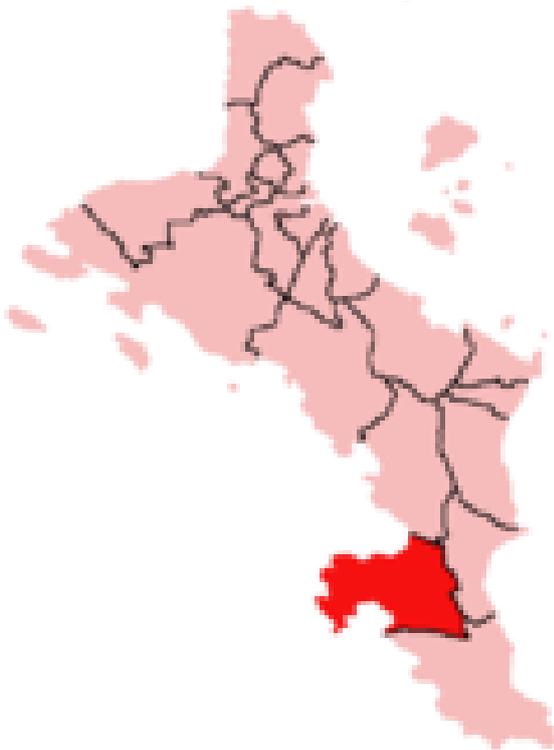
## 2.4 Twinning

The District Council of Grand Port is twinned with:

- The Borough Council of Spelthorne, United Kingdom – 19 May 2009



- District of Baie Lazare Republic of Seychelles – 23 April 2010



- Commune Rurale de Tsiafahy, Madagascar – 23 September 2014



- City of Qingdao, Republic of China – 14 May 2016



### **3.0 ROLES AND FUNCTIONS OF COMMITTEES**

#### **3.1 Council Membership: Chairperson, Vice Chairperson and Councillors**

Village Elections were held on 03 December 2012 following which the present Councillors took office at Village Council level and upon elected to serve at District Council level, District Councillors took office on 10 December 2012. The District Council of Grand Port comprises 28 District Councillors representing 24 villages. The Chairperson and Vice Chairperson are

elected by the Council to serve for a period of 2 years. The Council is administered in accordance with the Local Government Act 2011 as subsequently amended.

The following District Councillors were in office during period July 2019 to June 2020:

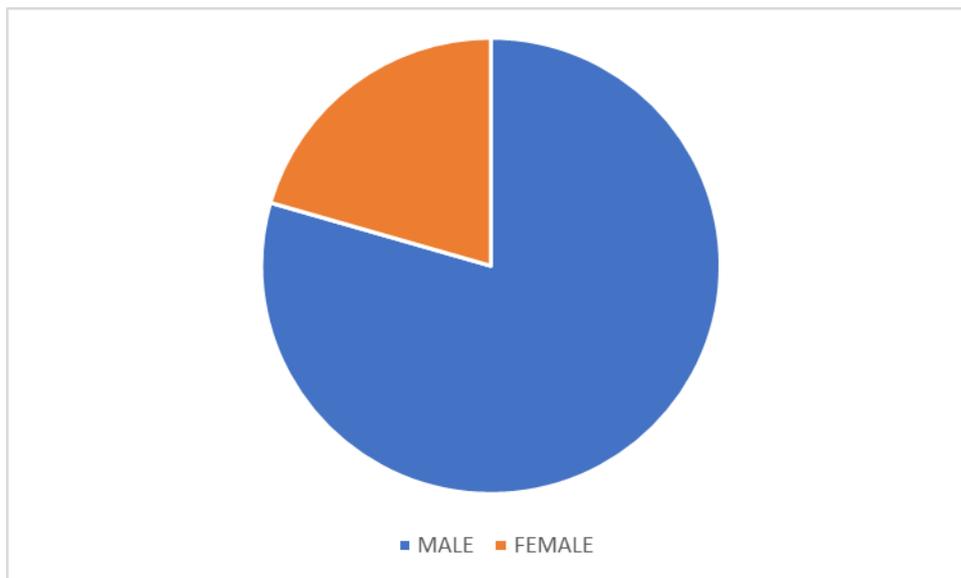
<b>S. n.</b>	<b>Village Councils</b>	<b>Name</b>	<b>Address</b>
1	Bambous Virieux	<b>APOLLON</b> Louis Eddy	Royal Road, Bambous Virieux
2	Bananes	<b>UPADHIYA</b> Syam Shiedeni	La Source Lane, Bananes
3	Beau Vallon	<b>SEECHURN</b> Mahendra	Royal Road, Jardin Beau Vallon, Beau Vallon
4	Bois des Amourettes	<b>PADARUTH</b> Kritanand	Royal Road, Bois des Amourettes
5	Camp Carol	<b>FOOLCHAND</b> Rakesh Kumar	Kenya, Camp Carol, Le Bouchon
6	Cluny	<b>JUGGURNATH</b> Iswarduth	Royal Road, Cluny
7	Grand Bel Air	<b>GUNGLEE</b> Ahmad Noorani	Royal Road, Grand Bel Air
8	Grand Sable	<b>HOSANEEA</b> Mohamad Noorani	Royal Road, Grand Sable
9	Mahebourg	1. <b>SEETHIAH</b> Narain	Jaynarain Road Street, Mahebourg
		2. <b>AUKALA</b> Rajesh	Ville Neuve Street, Mahebourg
10	Mare D'Albert	<b>RUGGOO</b> Yashveer	Royal Road, Mare D'Albert
11	Mare Tabac	<b>DINDOYAL</b> Mila (Mrs)	School Lane, Mare Tabac
12.	Midlands	<b>BOKHOREE</b> Dharaj	Royal Road, Midlands
13.	New Grove	1. <b>BAICHOO</b> Satyabharat	Royal Road, La Rosa, New Grove
		2. <b>GOVINDRAMEN</b> Seeneevassen	Siding Road, New Grove
14	Nouvelle France	<b>BHOLLAH</b> Pooran	Grand Port Road, Nouvelle France
15	Old Grand Port	<b>FRANCOIS</b> Paul Philippe	Royal Road, Old Grand Port
16	Petit Bel Air	<b>REEJHAW</b> Poospa (Mrs.)	Basdeo Bissoondoyal Street, Petit Bel Air, Mahebourg
17	Plaine Magnien	<b>DOMAH</b> Nirmal	Mon Desert Road, Plaine Magnien
		<b>THISBE</b> Bernard France Jean Michel	Bois D'Oiseaux Road, Plaine Magnien
18	Quatre Soeurs	<b>JANGI</b> Rajeev Kumar	Royal Road, Quatre Soeurs
19	Riviere des Créoles	<b>SOOPAU</b> Indurdeo	Bon Espoir Road, Riviere des Creoles
20	Rose Belle	1. <b>SEGOBIN</b> Megduth	Marie Jeannie, Rose Belle
		2. <b>REEDOY</b> Ramesh	40, Morc. Domain Marie Jeannie, Rose Belle
21	St. Hubert	<b>PIERRE</b> Jean Guibie	Camp Falbert, St. Hubert
22	16eme Mille	<b>MAGHOO</b> Rajdeo (MSK)	Community Centre Lane, 16eme Mille
23	Trois Boutiques	<b>AUBEELACK</b> Nemnarain	Carreau Esnouf, Trois Boutiques
24	Union Park	<b>NURSOO</b> Rajkumar	D. Ramjeet Street, Union Park

### 3.2 THE ADMINISTRATIVE TEAM

Administrative Department	Chief Executive Mr. Shyam Teeluck
	Deputy Chief Executive Mr. Mohamed Hussien Mohit
Finance Department	Financial Controller Mr. Vikash Seeruthen
Public Infrastructure Department	Ag. Head, Public Infrastructure Department Mr. M. S. Chadee
Public Health Department	Chief Health Inspector Mr. R. P. Munien
Land Use and Planning Department	Ag Head, Land Use and Planning Department Mrs S. Bhugun-Gunness
Welfare Department	Principal Welfare Officer Mrs G. Ettoo up to 21/06/2020 Mrs. G Sewpal as from 22.06.2020
Village Council Section	Mrs. N. D. Hurreeram, Assistant Chief Executive Mrs. Y Molaye s from 02/03/2020 Mr R Seenauth, Assistant Chief Executive ( 03/06/19 - 29/07/19) Mr T Auckel , Ag Assistant Chief Executive ( <i>on Assignment - 30/07/19 - 01/03/2020</i> )

### 3.2.1 Total number of staff – Gender wise

NUMBER OF STAFF AS AT 30 JUNE 2020	
MALE	329
FEMALE	85
<b>Total</b>	<b><u>414</u></b>



## 4.0 Setting of up Committees

### 4.1 Council Meeting

The Council Committee is made up of one elected councillor from each Village Council except for the villages of Rose Belle, Mahebourg, New Grove and Plaine Magnien which have 2 representatives each for having a population over 10,000. The Council is the policy making body of the District Council. As required under Section 45 of the Local Government Act 2011 the Council meets as often as the business may require and at least once monthly in the Council Chamber for the formulation of policies and examination of all matters pertaining to the administration of the Council.

## 4.2 Executive Committee

As per Section 48 of the Local Government Act 2011, the Executive Committee is responsible for the approval of the procurement of goods and services exceeding Rs 100,000/.

1.	Mr. Nirmal DOMAH	Chairperson District Council
2.	Mr. Rajeev Kumar JANGI	Vice Chairperson District Council
3.	Mr. R. Nursoo	Member
4.	Mr. R. Maghoo (MSK)	Member
5.	Mr. P. Bhollah	Member
6.	Mr. Yashveer Ruggoo	Member
7.	Mr M. Seegobin	Member

## 4.3 Procurement Committee

As per section 160 of the Local Government Act 2011 the procurement of goods and services shall be effected by the local authority in accordance with the provisions of the Public Procurement Act.

Any procurement of goods and services by a local authority shall be determined by a Procurement Committee composed of:

- (a) The Chief Executive or his Deputy;
- (b) The Financial Controller or his Deputy; and
- (c) One senior officer in charge of a department other than the Administration or the Finance Departments, and shall require the approval of the Executive Committee of the Council, where the total value of the procurement exceeds 100,000 rupees, or such amount as may be prescribed.

Procurement activities are undertaken in line with the Public Procurement Act 2006 and subsequent directives issued by the Procurement Policy Office. In fact, all bidding exercises are carried out in a transparent, confidential and structured manner to ensure compliance with existing procurement legislations. It is ensured that Bidding document specifications are written in such a manner to avoid ambiguities, and the evaluation criteria defined therein are fair and appropriate to determine the lowest evaluated substantially responsive bid.

A Bid Evaluation Committee is set up on the same day that bids are opened by the Chairperson of the Bid Opening Committee. Bids are evaluated according to pre-determined evaluation criteria and in all independence.

The Council is embarking on e-procurement. Accordingly, some officers attended training sessions delivered by the Public Procurement Office.

#### 4.4 Public Infrastructure Committee

- **Role and Specific Functions delegated to the Public Infrastructure Committee (Terms of reference)**
  1. The Public Infrastructure Committee of this Council shall be more fully described as the Works Organisation, Maintenance, Street Lighting, and shall have the powers and duties to hear, examine and consider the following:
    - (a) The construction, repairs and maintenance of the District Council's Buildings, Streams and Canals, Roads, Drains, Absorption Drains, Footpaths, street name plates, village name plates, bridges, traffic centres, volleyball pitches, cemeteries etc.
    - (b) Prepare designs and specifications for works to be contracted out.
    - (c) The Lighting of the District Council's buildings, streets, gardens, and other places;
    - (d) Service and reception of notices, institution and conduct of all legal proceedings as and when required.
    - (e) The prevention and removal of obstructions on secondary roads.
    - (f) The provision and maintenance of traffic signs, pedestrian crossings and road markings.
  2. The Public Infrastructure Committee shall consider matters relating to the proper functioning of the workshop, viz:
    - (a) To consider and recommend to the Council on matters pertaining to :
      1. Stock and purchase of spare parts;
      - ii) Replacement of plants and equipment;
  3. All decisions of the Public Infrastructure Committee shall be approved by the Council.

The Public Infrastructure Committee is comprised of the following members and meets on a monthly basis to perform its mandate

1	Mr. P.P. Francois	Chairperson Public Infrastructure Committee
2	Mr. N. Aubeeluck	Vice Chairperson Public Infrastructure Committee
3	Mr. N. Domah	Chairperson District Council
4	Mr. R. Jangi	Vice Chairperson District Council
5.	Mr. D. Bokhoree	Member
6	Mr. P. Bhollah	Member
7	Mr. R. Foolchand	Member

**List of projects undertaken during period July 2019 – 30 June 2020**

Consti - tuency Number	Subject	Status	Project Stage	Due date	Status Update/Remark	Project Value
12	Incinerator at Tombeau, Mahebourg	Completed	Completed	15.07.2020	Civil works 100% completed. Awaiting fixing and commissioning of equipment	13000000
	Preparation of design and tender document	Completed				
	Launching of tender	Completed		09.01.2019		
	Award of contract	Completed		02.04.2019		
	Construction/Implementation	Completed. Snags to be attended.		15.07.2020		
	Market Fair at Mahebourg	In progress	Implementation	15.11.2021		85,000,000
	Preparation of design and tender document	Completed				

	Launching of tender	Completed				
	Award of contract	Completed				
	Construction/Implementation	In progress		15.11.2021	Site possession done on 27.10.2020. Mobilisation and felling of trees completed. Excavation and foundation works in progress.	

### **Local Development Project 2019/2020**

Constituency Number	Subject	Status	Project Stage	Due date	Development Type	Status Update/Remark	Project Value
12	Street Lighting lorry	Completed	Completed	30.12.2020	Amenities	Delivered	4500 000
12	CHA St Hilaire	Completed	Completed	29.02.2020	Drain	100% completed	1500 000
12	St Hilaire near Children playground	Completed	Completed	29.02.2020	Drain	100% completed	1500 000
11	Nouvelle France Rajmun Residence	Deferred	Deferred	30.06.2020	Drain	Project to be done by the NDU	1000 000
12	Old Grand Port at Sookdeo Bissoondoyal Road	Completed	Completed	30.01.2020	Drain	100% completed	1000 000
11	Nouvelle France near Gunesh and Rajmun	Deferred	Deferred	30.06.2020	Drain	Work to be implemented by the NDU	2000 000
12	Old Grand Port, Sookee Lane	Completed	Completed	31.01.2020	Drain	100% completed	500 000
12	Cluny, Railway Road	Completed	Completed	31.01.2020	Drain	100% completed	500 000
17	Resurfacing of roads at Midlands	Completed	Completed	18.09.2020	Amenities	100% completed	500 000
17	Resurfacing of roads at 16eme Mille	Completed	Completed	18.09.2020	Amenities	Project swapped to new road. Completed	500 000
11	Construction of Office Block and Sanitary facilities at St Hilaire Cemetery	Completed	Completed	30.10.2020	Amenities	100% completed	1000 000
11	Extension of Village Hall at Nouvelle France	In progress	Implementation	16.02.2020	Amenities	In progress. 60% completed	2000 000
11	Tarring of yard at Riviere des Creoles Cremation ground	Completed	Completed	18.09.2020	Amenities	100% completed	500 000
11	Extension/upgrading of Sub Hall at Petit Sable	In progress	Implementation	30.12.2020	Amenities	Works in progress 97% completed	1200 000

11	Reconstruction of Anse Jonchée Sub Hall	In progress	Implementation	31.12.2020	Amenities	Works in progress 97% completed	3000 000
11	Construction of synthetic mini soccer pitch at Quatre Soeurs	Completed	Completed	27.11.2020	Amenities	100% completed	1800 000
12	Resurfacing of roads at Old Grand Port	Completed	Completed	18.09.2020	Amenities	Completed	300 000
12	Upgrading of Petit Bel Air Village Hall	Completed	Completed	18.09.2020	Amenities	Completed	200 000
12	Open Gym Trois Boutiques	Completed	Completed-	30.12.2020	Amenities	Completed	1500 000
12	Extension Village Hall building Remy Ollier Mahebourg	In progress	Implementation	12.01.2021	Amenities	60% completed	4000 000
12	Synthetic football pitch at SSR Trois Boutiques	In progress	Design/Pre Tender	30.11.2020	Amenities	Tender launched. Bid Evaluation stage.	3000 000

## 5.5 Permits and Business Monitoring Committee

The Land Use and Planning Department (LUPD) is responsible for the orderly and harmonious development of land within its District Council Area.

It has to ensure that all development are carried out in compliance with provisions of the Outline Planning Scheme and other legislations including the Local Government Act, the Town and Country Planning Act, the Planning and Development Act, the Building Control Act, amongst others.

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

1. To issue Building and Land Use Permits (BLP) as follows:
  - (i) BLP 1 – Construction of buildings for Residential purpose.
  - (ii) BLP 2 - Excision /Subdivision of land among Heirs.
  - (iii) BLP 3 - Construction/Conversion of buildings for Commercial, Industrial/SE (Services, Commercial development by Small Enterprises/Sui Generis e.g. place of worship, scrap yard, petrol filling station, Multipurpose Hall, etc.)
  - (iv) MOT (Permit for use of Engines/electric motors)
  - (v) Outline Planning Permission (OPP).
2. Attending to complaints with respect to illegal construction and development of land.
3. Prosecuting cases of illegal construction/Land development.
4. Submitting planning views/recommendations to the following Ministries:
  - (i) Ministry of Housing and Lands (Morcellement Board) with respect to applications for Morcellement Permits
  - (ii) Ministry of Agro Industry and Food Security with regard to applications for Land Conversion Permits.

- (iii) Ministry of Environment and Sustainable Development in connection with Environment Impact Assessment (EIA) Licences and Preliminary Environmental Report (PER) Approvals.
5. Attending Appeal cases before the Environment and Land Use Appeal Tribunal and other Courts of Law.

The Front Desk and technical staff of the Land Use and Planning Department normally provide all planning information to the general public. The newly created Planning Portal Website also offers relevant information pertaining to planning issues.

#### Composition of Permits and Business Monitoring Committee

1.	Mr. N. Domah	Chairperson District Council
2.	Mr. P. Bhollah	Member (Councillor)
3.	Mr. L. E. Apollon	Member ( Councillor)
4.	Mr. A. N. Gunglee	Member (Councillor)
5.	Mr. S. Baichoo	Member (Councillor)
6.	Mr. S. Teeluck	Member (Chief Executive, District Council)
7.	Mr. R. P. Munien	Member (Chief Health Inspector, District Council)
8.	Mr. R. Phul	Member ( Head, Land Use and Planning Department) – up to November 2019
	Mrs S. Bhugun-Gunness	Member (Ag. Head, Land Use and Planning Department) – as from January 2020
9.	Mr. M. S. Chadee	Member (Ag. Head, Public Infrastructure Department)

The table below shows the number of BLP applications received, processed and issued for the period July 2019 – June 2020.

Permit Type Cluster # Approved # Refused # In Progress # Total  
 BLUP1 Residential 624 235 83  
 942 BLUP2 Residential 188 61 18 267  
 BLUP3 Commercial 56 37 15 108  
 Industrial 12 16 2 30  
 Residential 7 9 5 21  
 Services 10 9 4 23  
 Sui Generis 13 9 3 25  
 Total 910 376 130 1,416

Type of Application	BLUP TYPE	No of Application received	No of Application approved
Commercial	BLUP 3	108	56
Industrial	BLUP 3	30	12

Residential	BLUP 1	942	624
	BLUP 2	267	188
	BLUP 3	21	7
Service	BLUP 3	23	10
Sui Generis	BLUP 3	25	13
<b>Total</b>		<b>1416</b>	<b>910</b>

#### 4.6 Public Health Committee

- **Role and Specific Functions delegated to the Public Health Committee (Terms of reference)**

The Public Health Committee shall have the following powers and duties:

1. To hear, examine and consider the following matters within the administrative area of Grand Port and make necessary recommendations thereon to the Council:
  - (a) Public Health and General Sanitation.
  - (b) Scavenging and Weeding services including the cleansing of streams, rivers, rivulets and drains; the provision of public conveniences.
  - (c) Cleansing of premises, that may be prejudicial to public health.
  - (d) Factories, piggeries, cowsheds and other polluting trades.
  - (e) Abatement of nuisances.
  - (f) Shops and premises used for the preparation, storage and sale of food.
  - (g) Sale of meat, butcher's shop, slaughter houses, markets and fairs.
  - (h) Health education of the public.
  - (i) Service and reception of notices and initiation of all legal proceedings in respect of matters within the Committee's terms of reference.

The District Council of Grand Port on top of its routine cleaning and scavenging works proposed a list of 13 different sites for cleaning, upgrading and embellishing.

Bulky waste campaigns were carried out within our administrative area as followed:

**COLLECTION OF BULKY WASTE WERE CARRIED OUT AS FOLLOWS:**

S/N	Locality	In House/ Outsourced Labour	Time Frame	Progress
1	Pte D’Esny and Cité La Chaux Beau Vallon	Outsourced Labour - ATICS	21.09.2019 and 22.09.2019	43 trips
2	Quatre Soeurs Village	In House Labour	05.10.2019 and 06.10.2019	38 trips
3	Rose Belle Village	In House Labour	19.10.2019 and 20.10.2019	65 trips
4	Plaine Magnien Village	In House Labour	12.10.2019 and 13.10.2019	95 trips
6	Shoreline G.Sable	In House Labour	29.05.20	1 Trip
7	Bois Des Amourettes	In House Labour	30.05.20	1 Trip
8	Riviere Des Creoles	In House Labour	20.05.20 and 21.05.20	I.C.W Dengue Fever 4 Trips
9	St Hilaire & Morc St Henry	In House Labour	06.06.20	5 Trips
10	Bois Des Amourettes	In House Labour	12.06.20 and 13.06.20	4 Trips
11	Beau Vallon	Outsourced Labour - ATICS	13.06.20 and 14.06.20	9 Trips
12	Grand Bel Air	In House Labour	19.06.20 and 20.06.20	11 Trips
13	Mare Tabac	In House Labour	26.06.20 and 27.06.20	9 Trips

**Responsibilities of Public Health Department**

The Public Health Department has a key role in the District Council of Grand Port not only in terms of services offered but also in revenue collected for the Council.

**1. Refuse Collection Service**

In house service	22 villages
Contracted service	2 villages – Mahebourg & Beau Vallon
Labour	Chief Health Inspector - 1 Principal Health Inspector -1 Senior Health Inspector – 3 Health Inspectors– 14 Office Management Assistant – 1 Management Support Officer -1 Drivers – 13 Field Supervisor -13 Refuse Collectors (Roster) – 112 Burial Ground Attendant - 14
Number of trips of refuse disposed at Mare Chicose Landfill station	8300 trips including bulky waste campaigns and clean up campaigns
Number of vehicles	10 lorries ( 6 tipper and 4 Compactors) , 1 Bell loader and 1 Backhoe loader
Special refuse collection in connection with festivities	Cavadee, Mahashivratri, Ganesh Chaturthi, Eid Ul Adha, Durga Pooja & Quarante-Heures
Spraying of Herbicide	Effected by inhouse labour every 2 months in 22 villages
Cleaning of open drains	Monthly
No of barelands cleand	175
Rodent control	Effected through contracted services every 3 months
No of Eco points fixed within District Council area	36 for separate collection of plastic bottles for recycling purposes

**2. Cemeteries**

Cemeteries in the District of Grand Port	9 cemeteries – Midlands, Union Parks, Mare Tabac, St Hubert, Pte Brocus, Old Grand Port, Petit Sable, Beau Champ, Plaine Magnien
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**2. Cremation Grounds & Incinerators**

- a. 2 LPG Incinerators at Rose Belle and Plaine Magnien
- b. Construction of 1 incinerator in pipeline at Tombeau Mahebourg

**4. Markets, Fairs & Tuckshops**

<b>Fairs</b>	
Mahebourg	Mondays & Fridays
Rose Belle	Wednesdays & Sundays
Plaine Magnien	Sundays
<b>Market</b>	

Gandhi Square Market	Daily
Plaine Magnien Market	Daily
Mahebourg Market	Daily
<b>Tuckshops</b>	
Jawaharlal Nehru Hospital Tuckshops	Daily
Mahebourg Tuckshops	Daily

A new Haberdashery Monday Fair is under construction at Colony Street Mahebourg

## 5. COVID -19 PANDEMIC

The covid-19 pandemic has brought unprecedented challenges for people and organizations around the world. During the sanitary curfew due to Covid - 19, the Public Health Department continued to provide its essential services to the community. Our staffs performed their work with dedication.

SN	Services Offered	Description	Remarks
1	Scavenging services	Collection of waste in all the 24 villages including Quarantine Centre at Le Chaland and Quatre Soeurs	<p>To motivate workers to work during this Pandemic specially scavenging teams.</p> <p>2. To deal with lorry break downs.</p> <p>3. To deal with Tyre puncture.</p> <p>4. To deal with inhabitants' complaints wanting that all their waste to be removed.</p> <p>5. Transport problem for employees.</p> <p>6. Provision and distribution of safety equipment like face masks, Alcohol, raincoats to scavenging teams.</p> <p>7. Difficulties and risky conditions to collect waste at Quarantine centres at QuatreSoeurs and Le Chaland. Refuse Collectors equipped with raincoats. (every alternate days)</p>
2	Other Cleaning activities	Cleaning of Public Toilets by Service Providers at:	

		<ol style="list-style-type: none"> <li>1. Nouvelle Fance</li> <li>2. JHN Square Rose Belle</li> <li>3. Rose Belle D.C yard garden</li> <li>4. Plaine Magnien</li> <li>5. Remy Ollier;Mahebourg</li> <li>6. Quatre Soeurs near Jetty</li> </ol>	
<b>3</b>	Other interventions	<p>Purchase and collection of Face Mask from a Service Provider in the North of the island.</p> <ol style="list-style-type: none"> <li>2. Manufacturing face Mask by a local tailor</li> </ol>	
<b>4</b>	Crematorium and Cemetery	<ol style="list-style-type: none"> <li>1. Both incinerators at Rose Belle and PlaineMagnien were operational.</li> </ol>	<ol style="list-style-type: none"> <li>1. Incinerator operators needed to be transported to their homes after work.</li> </ol>
<b>5</b>	Other activities	<ol style="list-style-type: none"> <li>1. Provision of Security services at: <ol style="list-style-type: none"> <li>a) D.C head office</li> <li>b) Crematorium</li> <li>C) Markets</li> </ol> </li> <li>2. Burials at the Cemeteries under the jurisdiction of the Council.</li> <li>3. Disinfection of Scavenging lorries with Javel.</li> <li>4. Washing and disinfection of markets and Fairs.</li> <li>5. Washing and disinfection of bus stops</li> <li>6 .Control of prices in shops and supermarkets</li> </ol>	



Washing and disinfection of scavenging lorries



Scavenging services



Washing and disinfection of bus stop



Washing and disinfection of Market



Control of prices

2. To consider any other matters which may legitimately fall within the precinct of Public Health Department
  - (a) To hear and examine all matters pertaining to environment within the administrative area of Grand Port and take the relevant actions.
  - (b) To prepare and formulate regulations, programmes and plans which aim at protecting, preserving and promoting the natural and physical environment of the district to enhance the quality of life of the inhabitants.
  - (c) To prevent pollution in natural water courses and any other form of pollution and to take and implement decisions on the creation of green spaces.

- (d) To decide on all matters pertaining to the cleaning of wastelands.
  - (e) To implement the aforesaid programmes and plans separately or jointly with relevant Authorities/Organisations/ Enforcing Agencies.
3. The Public Health Committee shall have the powers to invite officers from the concerned Ministries to work jointly with the District Council with a view to formulating and implementing Environmental programmes and projects.
  4. To work jointly with the Central Government in order to:
    - (a) Protect, restore and prevent the degradation of the Environment;
    - (b) Engage public awareness campaigns on issues of Environment and the ecosystem including environmental education of the public.
  5. All decisions of the Public Health Committee shall be approved by the Council.

**The Public Health Committee is composed of the following members and meets on a monthly basis to perform its mandate.**

1	Mr. R. Maghoo (MSK)	Chairperson
2	Mr. L. E. Apollon	Vice Chairperson
3	Mr N. Domah	Chairperson District Council
4	Mr. R. K. Jangi	Vice Chairperson District Council
5	Mr. P. P Francois	Member
6	Mr. K. Padaruth	Member
7.	Mr. N. Seethiah	Member

**(g) Welfare Committee**

▪ **Role and Specific Functions delegated to the Welfare Committee (Terms of reference)**

The Welfare Committee shall be morefully described as the Public Welfare, Public Entertainment, Leisure and Social Services, Committee and shall have the following duties and powers:

1. To consider and make recommendations on all matters relating to:
  - (a) Public Entertainment and Public Welfare including:
    - (i) The provision of entertainment;

- (ii) The provision of Community/Social Centres in view of extending social, recreational, cultural, literary and educational opportunities;
  - (iii) The provisions of facilities for the care of children and the poor;
  - (iv) Planning and management of all public children playgrounds including kindergartens and nurseries.
- (b) The control and management of stadiums and other District Council Sports Infrastructures.
- (c) (i) The provision and management of Centres for use by clubs, societies or organisations involved in social activities.
- (ii) The co-ordination of youth activity in the District Council area.



- (d) Social Services.
- (f) The preparation and formulation of programmes, projects and activities which aim at providing leisure to the inhabitants of the district.
- (g) The provision of facilities to the inhabitants of the administrative area with a view to encouraging them to participate in the above-mentioned leisure programmes and activities.

- (h) To coordinate with the Central Government and to control emergency centres during and after cyclones and other disasters.
2. To consider any other matters which may legitimately fall within the province of Public Welfare.
  3. To carry out research with a view to preserving and promoting Arts and Culture and to submit to the Council its recommendations thereon, viz:
    - (a) The preparation and formulation of programme which aim at preserving and/or promoting the ancestral values, customs and traditions in the fields of music, arts, language, food habits, etc in the administrative area.
    - (b) The preparation and formulation of programmes which aim at promoting and encouraging exchanges between the different cultures in the district.
    - (c) The organisation of cultural activities with the view to implementing the programmes or plans recommended by the Committee.
    - (d) The formulation of Arts and Cultural Activities.
    - (e) To manage and supervise dressmaking courses and the Municipal Infant Schools and kindergartens.
  4. To ensure that exchanges with our sister cities are carried out as agreed
1. All decisions of the Welfare Committee shall be approved by the Council.

**The Welfare Committee consists of the following members and meets on a monthly basis.**

1.	Mr. A. N. Gunglee	Chairperson
2.	Mr B. F. J. M. Thisbe	Vice Chairperson
3.	Mr. N. Domah	Chairperson District Council
4.	Mr. R. K. Jangi	Vice Chairperson District Council
5.	Mr. J. G. Pierre	Member
6.	Mrs M. Dindoyal	Member
7.	Mr. R. Reedoy	Member

## 5.0 Welfare Activities carried out during financial year 2019 – 2020

SN	Date	Activity	Remarks
2.	12.07.19	Mega Campaign “Netoyaz”	In collaboration with Ministry of Environment
	13.07.19		
	14.07.19		
2.	18.08.19	Inauguration of multipurpose complex at Ville Noire	-
3.	21.08.19	Sports Award Night to reward athletes of Mauritius	In connection with 10 <sup>th</sup> edition of JIOI held in Mauritius
4.	22.08.19	Talk on Peace and Stress Management at the Council by Brambha Kumaris	Special guest Dr Binny Sareen – Peace Ambassador Regional Director Global Peace Initiative for India
5.	29.08.19	Simulation Fire Outbreak Simulation at Mahebourg Market Fair	-
6.	02.09.19	Regional Ganesh Chaturthi celebration at Midlands Marathi Sabha	-
7.	18.09.19	Inauguration of Volleyball/Basketball pitch at Rivieres Des Creoles	-
8.	29.09.19	Inauguration of Volleyball/Basketball pitch at Residence Beemanique, Cluny	-
9.	02.10.19	Gandhi Jayanti at Gandhi Square, Rose Belle	-
10.	06.10.19	Inauguration Anse Jonchee Mini Soccer pitch	-
11.	16.11.19	10-year Anniversary Twinning Spelthorne Borough Council	-
12.	01.12.19	Festival Beach Volley 4 <sup>th</sup> Edition Inter Village & Inter Region with the participation of District and Municipal Council + Recreational day icw International Day for people with disabilities.	At La Cambuse public beach. The remittance of checks for winners of the Volleyball Competition was held on 08.01.2020 in the Council Chamber.
13.	04.12.19	Inauguration Mini Soccer Pitch at Plaine Magnien	-
14.	08.12.19	Inauguration Sub Hall Le Bouchon	-
15.	18.12.19	Inauguration of Nouvelle France Multipurpose Complex	-
16.	22.01.20	Remittance of cheques to Kovils icw Cavadee 2020	-
17.	02.02.20	Initiation/Demonstration of Rugby by Ministry of Youth and Sports	In Collaboration with the Council
18.	19.02.20	Distribution of refreshments to devotees/pilgrims icw Maha Shivratri	Aided by Staff Club
19.	26.02.20	Half Day Workshop for Women icw International Women Day	-
20.	07.03.20	Celebration of 52 <sup>nd</sup> Anniversary of Independence	- Lunch for Senior Citizens

		of Mauritius at Plaine Magnien Market Fair.	<ul style="list-style-type: none"> <li>- Rewards to laureates 2019</li> <li>- Annual Sports Grants to registered Sports Associations</li> </ul>
21.	11.03.20	Flag Raising Ceremony	<ul style="list-style-type: none"> <li>- Award to retired employees 2019</li> <li>- Award District Councillors Mandate 2012-2020</li> </ul>

**12,13 & 14 July 2019: Mega Campaign “Netoyaz”**



**18.08.19: Inauguration of multipurpose complex at Ville Noire**



**21.08.2019: Sports Award Night to reward athletes of Mauritius**





**22.08.2019: Talk on Peace and Stress Management at the Council by Brambha Kumaris**



**29.08.2019: Simulation Fire Outbreak Simulation at Mahebourg Market Fair**



**02.09.2019: Regional Ganesh Chaturthi celebration at Midlands Marathi Sabha**





**18.09.19: Inauguration of Volleyball/Basketball pitch at Rivieres Des Creoles**





**29.09.19: Inauguration of Volleyball/Basketball pitch at Residence Beemanique, Cluny**





**02.10.2019: Gandhi Jayanti at Gandhi Square, Rose Belle**





**06.10.19: Inauguration Anse Jonchee Mini Soccer pitch**



**16.11.19: 10-year Twinning Anniversary between Spelthorne Borough Council and the Grand Port District Council**



**01.12.19: Festival Beach Volley 4th Edition Inter Village & Inter Region with the participation of District and Municipal Council + Recreational day icw International Day for people with disabilities.**





**04.12.19: Inauguration Mini Soccer Pitch at Plaine Magnien**



**18.12.19: Inauguration of Nouvelle France Multipurpose Complex**







**02.02.2020: Initiation/Demonstration of Rugby by Ministry of Youth and Sports**



**19.02.2020: Distribution of refreshments to devotees/pilgrims icw Maha Shivratri**



**26.02.20: Half Day Workshop for Women icw International Women Day**







## National Day Celebrations

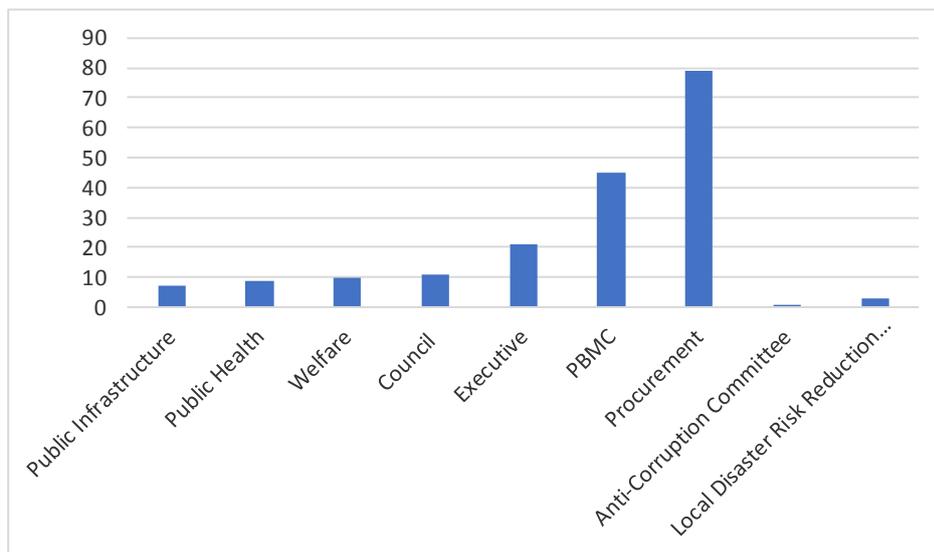




## Meetings of the Council

A total of 186 meetings were held during period July 2019 to June 2020 as details hereunder:

Committees	Total
Public Infrastructure	7
Public Health	9
Welfare	10
Council	11
Executive	21
PBMC	45
Procurement	79
Anti-Corruption Committee	1
Local Disaster Risk Reduction and Management Committee	3
<b>Total</b>	<b><u>186</u></b>



## **6.0 VILLAGE COUNCILS**

### Functions of Village Council

The functions of a Village Council are as stipulated in the Local Government Act (LGA) 2011 as amended and as set out below:

#### Sections 51

- (i) A Village Council shall, within the limits of its administrative area, be responsible for
  - (a) The organization of sports, leisure and cultural activities
  - (b) The running of pre-primary schools and entrepreneurship courses
  - (c) The maintenance and improvement of libraries and computer facilities
  - (d) The maintenance of cremation grounds and any other public health amenities and
  - (e) The performance generally of any public works to promote the sanitation and cleanliness of the village and the well-being of the inhabitants.

### **Meetings of Village Councils**

As per law, the meetings and proceedings of Village Council and any of its committees shall be conducted in the manner specified in Part B of the Seventh Schedule.

The Village Council shall meet in an ordinary meeting as often as often as its business may require and at least once every month” (LGA Section 45)

The District Council of Grand Port comprises 24 Village Councils as listed hereunder. There are 3 Assistant Chief Executives who are responsible for 8 Village Councils each. They ensure the day-to-day administration of the Village Councils and implementation of decisions of the Councils falling under their responsibility each.



**Number of Village Council meetings carried out by villages during the Financial Year 2019-2020\***

<b>Sn</b>	<b>Villages</b>	<b>No. of VC meetings</b>
1	Bambous Virieux	9
2	Bananes	8
3	Beau Vallon	7
4	Bois des Amourettes	9
5	Camp Carol	10
6	Cluny	8
7	Grand Bel Air	9
8	Grand Sable	9
9	Mahebourg	8
10	Mare D'Albert	3
11	Mare Tabac	7
12	Midlands	10
13	New Grove	8
14	Nouvelle France	9
15	Old Grand Port	10
16	Petit Bel Air	9
17	Plaine Magnien	5
18	Quatre Soeurs	9
19	Riviere des Creoles	9
20	Rose Belle	9
21	Seizieme Mille	9
22	St. Hubert	9
23	Trois Boutiques	5
24	Union Park	9

Note:- Lockdown from 20 March 2020 to 15 June 2020 whereby no VC meeting was conducted during that period

Mrs N.D. Hureeram Assistant Chief Executive was responsible for the following Village Councils

Sn	Villages	Chairperson	Vice Chairperson
1	Bambous Virieux	Mr. Lagailarde Louis Linsley Gersley	Mr. Apollon Louis Maxime
2	Bois des Amourettes	Mr. Sewduth Ramdonee	Mrs. Marie Christina Fabiola Isabelle
3	Grand Sable	Mr. Binee Baldeo	Mr. Binee Aneerood
4	Nouvelle France	Mr. Bagha Mahendranath	Mr. Gokool Sanjay
5	Old Grand Port	Mr. Friquin Jean Francisco (up to 09 March 2020)	Mrs. Lolotte Marie Edwidje (up to 09 March 2020)
		Mr. Azimkhan Safick (as from 10 March 2020)	Mrs. Dominique Marie Josie Sheila (as from 10 March 2020)
6	Petit Bel Air	Mr. Samah Rajesh	Mr. Reejhaw Rajeshwar
7	Quatre Soeurs	Mr. Guty Goroodev (up to 20 Nov 2020)	Mr. Luchmun Chitradev
		Mr. Bithion Mandeo (as from 21 Nov 2020)	
8	Riviere des Creoles	Mr. Dhiraj SEEWOOGOOLAM	Mr. Jitendra BUDDARU

Mr T.Auckel, Acting Assistant Chief Executive and Mrs Y.Molaye were in turn responsible for the following Village Councils

Sn	Villages	Chairpersons	Vice Chairpersons
1	Bananes	Mr. Sudesh SOMARY	Mr. Dhanraj SEUMBER
2	Cluny	Mrs. Mohantee Devi DOMUR	Mr. Veer Ahbeemanyu DABEE
3	Midlands	Mrs. Lutchmeen. LALLSING ( <i>demise on 08 Sept 2019</i> ) Mrs. Janita TAUCOOR ( <i>as from 18 Sept 2019</i> ) Mr. Mohamed Yusuf SOOKLALL, MSK	Mrs. C. LUCHMUN

		<i>(as from 05 June 2020)</i>	
4	New Grove	Mrs. Premila SREEKEESSOON	Mr. Soorendra BALLOO
5	Rose Belle	Mr. Lalah Shyamchand Rai GOBIND	Mr Gawsamy TAJOO
6	Seizieme Mille	Mr. Diwan BALISSON	Mr Aneerood HUSRAJ
7	St. Hubert	Narain RAMADOO	Mrs Santa Devi KHALAWAN
8	Union Park	Mr Nawsad BAHADDOOR Mr Sooryadeo HURREERAM <i>(as from 04 Sept 2019)</i>	Mrs N. KANNIAPPA NAICKEN Mr Imran DOMUN <i>(as from 04 Sept 2019)</i>

- Lockdown from March 2020 to May 2020

Mr Ramphul Assistant Chief Executive was responsible for the following Village Councils

Sn	Villages	Chairpersons	Vice Chairpersons
1	Mahebourg	Mrs P Bhootooa	/Mr S D Armoogum
2	Plaine Magnien	Mr Sabeer Abdool	Mr B B Oozeer up to 7 February 2020 and Mrs S Nullatamby as from 11 February 2020
3	Mare Dalbert	Mr K C Gunesh	Mr S Beeharry
4	Mare Tabac	Mr D Seewooruttun	Mr M Chukoury
5	Trois Boutiques	Mr D Jaipal	Mrs S Appadoo
6	Beau Vallon	Mr D Sanichurwah	Mr E Lagaillard
7	Camp Carol	Mrs M Nobin up to 8 January 2020 Mrs H Shibnauth as from 14 January 2020	Mr C Valaydon up to 8 January 2020 Mr D K Beeharry as from 14 January 2020

8	Grand Bel Air	Mr J M Sookye up to 18 October 2019 Mr J R Colombo up to 25 June 2020	MRs M R Laboucherie up to 18 October 2019 and Mr R Lalloo up to 25 June 2020
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### Remuneration of Councillors

As per the provisions of the Local Government (Remuneration of Councillors) Regulations 2013 monthly remuneration/allowances derived by the Chairperson, the Vice Chairperson, Councillors and member of Permits and Business Monitoring Committee are as follows:

S. n.	Councillors as per functions occupied	Monthly remuneration paid to Councillors as per Local Government (Remuneration of Councillors) Regulations 2016. Reviewed after PRB report 2016 (Rs)	Monthly telephone allowance issued as prepaid cards (Rs)
1.	Chairperson	39,575	2,000
2.	Vice Chairperson	21,475	1,500
3.	Councillors who are members of the Executive Committee	14,050	1,000
4.	Councillors	11,970	500
5.	Councillors who are members of the Permits and Business Monitoring Committee	1995 (per sitting), up to a maximum of Rs 7980/month	
6.	Chairperson Village Council	11,970	-
7.	Vice Chairperson Village Council	6,195	-
8.	Village Councillor	2,695	-

## Corporate Governance

*Corporate Governance by definition being the system by which corporations are directed and controlled* and the District Council has continuously put in place robust systems and processes, while observing high standards of behavior in the day to day administration of the Council affairs

The core areas through which the District Council has tried to ensure compliance with the above principles of Corporate Governance as prescribed in the recommendations from the Code of Corporate Governance of Mauritius may be demonstrated through the following:

- ***Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.***

While ensuring that decisions are taken in a transparent manner and in line with existing regulations in place, the District Council also ensures that every Council decision or Executive Committee decision is well documented and easily traceable

Furthermore, necessary actions are being taken to ensure strict compliance with the relevant legislations including the Local Government Act 2011 more particularly Section 50 which spells out the functions of the District Council

- Promoting the values for the authority and demonstrating the values of good governance through upholding high standards of transparency, accountability, prudence, probity equity and democratic concern.
- By focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area the Council provides services, which are essential for maintaining sound and healthy living conditions within the areas under its jurisdiction.

The Council also organizes and promotes activities in the fields of education, culture, sports and recreation as well as provides amenities aimed at the general well – being of the citizens.

- ***Councillors and officers working together to achieve a common purpose with clearly defined functions and roles. In fact, the duties of Councillors and Officers have been clearly segregated.***
- ***Developing the capacity and capability of Councillors and officers to be effective***
- ***Enlisting the cooperative participation of local people and other stakeholders to ensure good governance.***

## **7.0 Trends and Challenges**

### **7.1 Trends**

An appraisal of the performance of the Council in the delivery of services reveals the following

#### **Strengths:**

1. The Council is geared by a team of dedicated Councillors who are striving for the welfare and betterment of the residents in the administrative area of Grand Port
2. The Administration is managed by experienced cadres
3. The administration area comprises various touristic venues such as Le Val Nature Park, Vallee Ferney all of which attract more and more tourists in its area.
4. The Vieux Grand Port is renowned worldwide and attracts both local and foreign visitors all the year through.
5. The area is equipped with various amenities providing sports and leisure facilities to its residents.
6. The SSR International Airport is located within our administrative area.

#### **Weaknesses:**

1. Vacant posts not filled are affecting the smooth running of the Council.
2. Part of the fleet of scavenging and street lighting lorries needs to be renewed.
3. Restrained mobility among staff within District Council administration.
4. The administrative area is extensive.
5. There are few economic operators within the area

#### **Opportunities**

1. The area is expanding and is attracting more and more residents and investors
2. Various IRS projects are emerging within the administrative area

3. The south of the islands is more or less intact and preserves intact its pristine beauty
4. Use of framework agreements to minimize cost in procurement of certain goods
5. Segregation and composting of waste to reduce load of wastes transported to landfill stations and minimization of pollution

### **Threats**

1. Central Government reducing grants.
2. Proliferation of illegal sellers in the administrative area.
3. Other government agencies providing the same services as the District Council.
4. Economic operators may show reluctance to pay the relevant fees due to unfair competition caused by the presence of illegal sellers.

## **7.2 Challenges**

We are living in a world which has become a global village whereby the Council is also called upon to innovate and adapt in order to meet rising aspirations.

Service delivery is expected to be improved /accelerated within tighter schedules and at lesser cost implication.

The administrative area is expanding rapidly with the development of new morcellements. This will put further stress on our road networks as well as scavenging service.

The construction of new village halls at New Grove, Nouvelle France Camp Carol and Le Bouchon are expected to provide a convivial venue for village council meetings and to bring additional leisure activities to the villagers.

The advent of the Customer Service Portal has significantly improved our complaint handling system. Indeed, people no more need to call at the Council for submitting a complaint. Moreover, the complainant is kept informed about developments and action taken through either telephone or sms or email.

## 8.0 PART A: OVERVIEW

Established as per Section 7 of the Local Government Act 2011. The District Council of Grand Port was constituted after the Village Council Elections of December 2012. It has 24 villages under its jurisdiction and their respective population is as follows:

1.	Bambous Virieux	1496
2.	Bananes	660
3.	Beau Vallon	6904
4.	Bois des Amourettes	1880
5.	Camp Carol	NA
6.	Cluny	1544
7.	Grand Bel Air	1538
8.	Grand Sable	2182
9.	Mahebourg	15176
10.	Mare D'Albert	4666
11.	Mare Tabac	2731
12.	Midlands	NA
13.	New Grove	10518
14.	Nouvelle France	7165
15.	Old Grand Port	2969
16.	Petit Bel Air	1186
17.	Plaine Magnien	10443
18.	Quatre Soeurs	NA
19.	Riviere des Creoles	3066
20.	Rose Belle	12035
21.	St. Hubert	3153
22.	Siezieme Mille	NA
23.	Trois Boutiques (Union Vale)	7322
24.	Union Park	4907

The total population within the administrative area of Grand Port is approximately 116000 as per census carried out by the Central Statistics Office in 2011.

## **9.0 Disaster Management at the District Council of Grand Port**

### **Role delegated to the Local Disaster Risk Reduction Management Committee. /Local Emergency Operations Command**

Every local authority, other than a Village Council, shall have a Local Disaster Risk Reduction and Management Committee (LDRRMC), which collaborate with the National Centre and the local community in respect of the area under its jurisdiction for any disaster risk reduction and management activity.

### **Composition of the LDRRMC at the District Council of Grand Port (DCGP)**

<b>1</b>	Chairperson of the local authority
<b>2</b>	Chief Executive of the local authority, who shall be the vice-chairperson
<b>3</b>	Local Disaster Management Coordinator of the local authority
	Representatives from the Council
<b>4</b>	Representative of the Ministry responsible for the subject of education
<b>5</b>	Representative of the Ministry responsible for the subject health
<b>6</b>	Representatives of the Ministry responsible for the subject public infrastructure
<b>7</b>	Representative of the Ministry responsible for the subject social security
<b>8</b>	Representative of the Ministry responsible for the subject of environment and sustainable development
<b>9</b>	Representative of the Ministry responsible for the subject of Local Government
<b>10</b>	Representative from the Police Mauritius Force
<b>11</b>	Representative from the Mauritius Fire Rescue Service
<b>12</b>	Representative from the Central Water Authority
<b>13</b>	Representative from the Central Electricity Board
<b>14</b>	Representative from the Road Development Authority
<b>15</b>	Representative from the Red Cross

16	Representative of the National Disaster Risk Reduction Management Centre
17	Representative of the Mauritius Meteorological Services
18	Representative of St John Ambulance
19	Representative of National Transport Authority
20	Representative of Wastewater Management Authority
21	Representative of National Coast Guard
22	Representative of Special Mobile Force
23	Representative of the Ministry of Youth and Sports
24	Representative of the Ministry of Blue Economy, Marine Resources, Fisheries and Shipping.
25	Representative of the Ministry of Gender Equality and Family Welfare
26	Representative from the Beach Authority
27	Representative from the Citizen Advice Bureau
28	Any other representative as deem appropriate by the LDRRMC

### **Functions of Local Disaster Risk Reduction Management Committee**

**1. Every local committee shall, in respect of the area under its jurisdiction and under the supervision of the National Centre:**

*(a) work closely with its local community in disaster risk analysis and vulnerability assessment:*

The District Council of Grand Port Local Disaster Risk Reduction and Management Committee has been conducting several site visits and with the help of its members including the inhabitants and councillors, we have been able to identify vulnerable areas which are prone to different types of calamities such as flooding, water accumulation, landslide and amongst others which can cause damage to property and loss to lives.

It has also been observed that due to climatic changes and rapid infrastructural developments, more and more new sites are being affected by flash floods.

*(b) conduct trainings, drills and simulation exercises:*

The District Council of Grand Port LDRRMC carry out at least three simulation exercises per year. In addition to that, the Council with the collaboration of other stakeholders such as the Police, Fire Services, NDRRMC amongst others have been conducting training for the inhabitants who are vulnerable to flooding. This year the training which is the Community Disaster Response Programme was conducted in the regions as mentioned in the table below :

Measures	Remarks
<p><b>No. of sensitization campaign organized</b> – <b>January 2020 to November 2020</b> <b>(methods used/ date held/ regions covered)</b></p>	<p>i. <b>01 February 2020:</b> Community sensitization with the 75 participants around Mauritius in connection with Community Disaster Response Programme at Pointe D’Esny. Powerpoint presentation of the roles and responsibilities of LDRRMC and the LEOC.</p> <p>ii. <b>12 February 2020:</b> Sensitization with the inhabitants of Gros Billot, 16eme Mille, Carreau Esnouff, Plaine Magnien, Mare Tabac, Nouvelle France (31 CDRT Participants) in connection with precautions to take in case of flooding in collaboration with MFRS and Neighborhood police officers</p> <p>iii. <b>10 September 2020:</b> Sensitization campaign at Mare Tabac Government School and with the inhabitants of Mare Tabac in connection with simulation exercise at Mare Tabac in collaboration with District Councillor, Rose Belle Police officers and MFRS officers</p> <p>iv. <b>12 December 2020:</b> PowerPoint presentation on the roles of Local Authorities on Disaster Risk Reduction activities to 100 participants. Workshop on Mangroves-Eastern Coast Initiative project.</p>
<p><b>No. of CDRT training conducted (dates)</b></p>	<p>A three-day training conducted on (1) 28 May 2019, 29 May 2019 and 30 May 2019 respectively at Old Grand Port (31 participants).</p> <p>(2) 11,12 and 13 December 2019 in the following regions 16eme Mille, Gros Billot, Nouvelle France, Carreau Esnouff, Plaine Magnien and Mare Tabac (30 participants)</p> <p>(3) 28,29 and 30 October 2020 in Trois Boutiques (24 participants)</p>
<p><b>Regions having CDRT (Name of region)</b></p>	<ol style="list-style-type: none"> <li>1. Grand Sable</li> <li>2. Old Grand Port.</li> <li>3. Nouvelle France</li> <li>4. Trois Boutiques</li> <li>5. Carreau Esnouff</li> <li>6. New Grove/Gros Billot</li> <li>7. PlaineMagnien</li> <li>8. 16eme Mille</li> <li>9. Mare Tabac</li> </ol>
<p><b>No of simulation exercise and regions covered</b> <b>(Jan – Nov 2020)</b></p>	<ol style="list-style-type: none"> <li>1. <b>17 September 2020:</b> Simulation exercise on floods at Mare Tabac</li> <li>2. <b>20 October 2020:</b> Tabletop Exercise in connection with Iowave 2020</li> <li>3. <b>30 October 2020:</b> CDRT at Trois Boutiques and Simulation exercise</li> </ol>

**Community Disaster Response Training at Trois Boutiques –**



## **10.0 MAJOR ACHIEVEMENTS FOR PERIOD JULY 2019 - JUNE 2020**

- Construction of drains
- Resurfacing and construction of road
- Extension of street lighting and purchase of LED lanterns
- Fixing of Outdoor Gym Equipment at Union Park and New Grove
- Construction of Ville Noir Multipurpose complex.
- Construction of Mini Soccer pitch at Mare D'Albert and Tombeau
- Upgrading of Council Room

### **1. Major Services to be provided (output) for July 2018 to June 2019**

#### **Programme 1 : Policy and Management of the Council**

- Implementation of Council's decisions.
- Delivery of programme as laid down in the programme-based budget.
- Prompt collection of revenue including outstanding debts.

### **Programme 2 : provision and maintenance of community based infrastructure and amenities**

- Construction and maintenance of non-classified roads.
- Construction of new buildings, maintenance, repairs and rehabilitation of existing buildings and other Council's assets.
- Installation and maintenance of street lighting points.
- Construction and maintenance of drains.
- Implementation of key infrastructural projects.
- Road marking.
- Maintenance of Council's Buildings and other infrastructures.
- Maintenance of traffic signs.

### **Programme 3: Development control within the Council's area**

- Ensure a harmonious and orderly development of the area under the Council's jurisdiction.
- Timely delivery of Building and Land Use permit.
- Carry out ex post control/monitoring.

### **Programme 4: Sound and healthy conditions in the Council's area**

- Provision of regular refuse collection service.
- Daily cleaning of public places including green spaces, public sanitary conveniences, cemeteries and traffic centres.
- Weekly cleaning of market and fairs.
- Regular rodent control and integrated vector control management.
- Cleaning of drains, rivers, rivulets and wastelands.
- Information/ education and communication (IEC) campaigns among local community.

### **Programme 5 : Promotion of Sports, Welfare, Education and Cultural Development**

- Organisation of official ceremonies, National festivities and Cultural events.
- Organisation of sports activities and support to sports clubs of the district.
- Education facilities to infants.
- Creation of 'ecole de foot' and 'ecole de badminton' for young children.

- Provision of high standard gymnasiums.
- Organisation of workshops/talks to sensitize the public against ills of the society.
- Organisation of library activities to promote reading culture among school children and adults.
- Maintenance of playgrounds and green spaces for promotion of sports and leisure.

## **2 Major constraints and challenges and how they are being addressed**

### **1. Revenue**

- The actual quantum of grant in aid allocated to the Council will have to be reviewed to allow for a more realistic funding.

### **2. Arrears of Revenue**

- Lengthy court procedures hinder prompt recovery of arrears.
- Lack of timely information on change of ownership of properties.
- Clearance certificate from Local Authorities are no longer required for transfer of properties.

### **3. Request for the provision of street lanterns**

- The high cost of electricity impacts heavily on the budget of the Council.
- More and more residential areas are being developed within our area thereby increasing both our maintenance and electricity costs.

### **4. Cleaning of wastelands / barelands**

- There are many plots of abandoned land within the Council area, whose owners are unknown. Searches are being carried out at the Registrar Office to trace out these owners and such is time consuming. Cleaning wastelands by inhouse labour is very costly due to overtime payment.
- Legislation should be enacted for the Council to claim back the amount spent in cleaning the wastelands of unknown owners as and when such land would be developed.

### **5. Human Resources**

- Lack of professionals e.g. Architect, Land Surveyor and Attorney at Law – The hiring of services of such professionals may be considered.
- Vacancies not being filled promptly.
- Funding of new/additional posts not available.

### **6. Application for Building and Land Use Permit**

- Citizens' awareness about Planning / Building norms is limited to the extent that often applications for Building and Land Use Permit submitted do not meet the required standards. The Council is continuing its effort to circulate as widely as possible the Building and Land Use Permit guide prepared by the Ministry of Local Government.
- Keeping and managing data and information pertaining to applications is not easy. It is expected that with the computerization of the Land Use and Planning Department, the situation will improve.

### **7. Other Challenges – Services**

- It is a challenge for the Council to maximize satisfaction of the citizen by providing an efficient service and attending to complaints within 48 hours. An information service centre has been set up for that purpose. Besides, the Council is receiving numerous online complaints through the Customer Service Unit.
- A citizen charter has been published and circulated among the inhabitants.
- The Council website has been enhanced to facilitate communication with inhabitants.



STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2020						
			Notes	2019-20 MUR		2018-19 MUR
<b>Revenue From Non-Exchange Transaction</b>						
Taxes						
Fees, fines and penalties			2	16,030,665		18,560,284
Public Contributions And Donations			3	324,650		
Government Grant			4	321,115,731		339,435,393
Other Revenue			5	6,262,718		1,358,705
<b>Total revenue from Non-Exchange Transactions</b>				<b>343,733,764</b>		<b>359,354,382</b>
<b>Revenue From Exchange Transactions</b>						
Building and Land Use Permit Fees			6	7,364,352		9,725,125
Rent and Royalties			7	19,174,550		25,087,290
Financial Income			8	2,288,682		1,828,154
Other Revenue			9	226,547		228,266
<b>Total revenue from Non-Exchange Transactions</b>				<b>29,054,131</b>		<b>36,868,835</b>
<b>Total Revenue</b>				<b>372,787,895</b>		<b>396,223,217</b>
<b>Expenses</b>						
Compensation Of Employees			11	181,037,973		181,456,311
Remuneration of Councilors			10	17,575,319		17,319,973
Grants And Subsidies			14	4,742,687		5,380,968
<b>Supplies and consumables</b>			12			
Utilities Cost			12.1	25,602,011		26,480,916
Motor Vehicle Expenses			12.2	6,937,039		7,289,924
Repairs And Maintenance			12.3	14,408,273		11,308,730
Cleaning and Security Services and other related costs			12.4	41,847,488		37,998,131
Hosting of events running costs			12.5	1,618,175		1,323,049
Professional And Legal Fees			13	942,606		1,360,785
Finance Costs				0		
Depreciation and Amortisation expenses			15	43,670,318		37,600,679
Other Expenses			16	11,966,023		20,761,490
<b>Total Expenditure</b>				<b>350,347,912</b>		<b>348,280,955</b>
<b>Other Gains /(Losses)</b>						
Gain on sale of assets						
Gain on foreign exchanges transactions						
Unrealised gain on fair valueof investment						
Impairment of property,plant &Equipment						
<b>Surplus for the Year</b>				<b>22,439,983</b>		<b>47,942,262</b>

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

				<b>Accumulated Fund</b>	<b>Reserves</b>	<b>Other Reserves</b>	<b>Total</b>
				<b>MUR</b>	<b>MUR</b>	<b>MUR</b>	<b>MUR</b>
				<b>1,014,424,717</b>	<b>(459,225,336)</b>	<b>8,847,687.00</b>	<b>564,047,068.00</b>
<b>Transfer to</b>							
Deferred Grants 17/18							-
<b>Adjustment</b>							
Prior Year Adjustment					9,455,630	(1,623,948)	7,831,682
Passage Fund					5,829,564		5,829,564
Pension Fund					3,085,923		3,085,923
Vested Land derecognised				(226,641,945)			(226,641,945)
Remeasurement Pension Liability				(95,666,238)			(95,666,238)
Land recognised				28,354,678			28,354,678
Surplus for the year					22,439,983		22,439,983
<b>Balance as at 30 June 2020</b>				<b>720,471,212</b>	<b>(418,414,236)</b>	<b>7,223,739</b>	<b>309,280,715</b>

STATEMENT OF CASH FLOW AS AT 30 JUNE 2020					
			2019-20		2018-19
CASH FLOW FROM OPERATING ACTIVITIES			MUR		MUR
<b>Receipts</b>					
Blp			7,364,352		9,725,125
Public Contributions and Donations			324,650		
License And Permits			13,217,250		16,063,270
Government Grants And Subsidies			321,115,731		337,910,174
Rending Of Services					
Sales Of Goods					
Finance Income			2,042,803		254,412
Other Income, Rental And Agency Fees			36,522,932		23,200,720
<b>Total receipts</b>			<b>380,587,718</b>		<b>387,153,701</b>
<b>Payments</b>					
Compensation Of Employees			175,392,767		162,968,912
Good And Services			94,536,448		119,192,205
Gratuities & Pension			6,071,673		
Rent Paid			110,200		
Other Payments			24,155,080		788,138
Grants And Subsidies Paid			5,044,427		5,273,999
<b>Total payments</b>			<b>305,310,596</b>		<b>288,223,254</b>
<b>NET FLOW FROM OPERATING ACTIVITIES</b>			<b>75,277,122</b>		<b>98,930,447</b>
<b>Cash flows from investing activities</b>					
Purchase of property, plant, equipment and intangible assets			(61,563,721)		(106,671,355)
Proceeds from sale of property, plant and equipment					
Decrease in non-current receivables					(10,206,487)
Increase in investments			(920,762)		(1,296,354)
<b>Net cash flows used in investing activities</b>			<b>(62,484,482)</b>		<b>(118,174,196)</b>
<b>Cash flows from financing activities</b>					
Proceeds from borrowings			2,540,614		
Increase in deposits			2,543,028		(394,856)
<b>Net cash flows used in financing activities</b>			<b>5,083,642</b>		<b>(394,856)</b>
<b>Net Increase/(decrease) in cash and cash equivalents</b>			<b>17,876,282</b>		<b>(19,638,604)</b>
<b>Cash and cash equivalents at 1 July</b>			<b>60,977,102</b>		<b>80,615,706</b>
<b>Adjustments to opening cash &amp; equivalent</b>			<b>12,103,717</b>		
<b>Cash and cash equivalents at 30 June</b>			<b>90,957,101</b>		<b>60,977,102</b>

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STATEMENT OF COMPARISON OF BUDGET VS ACTUAL AMOUNT AS AT 30 JUNE 2020						
	Original Budget	Adjustments/ Virement	Final Budget	Actual on Comparable Basis	Performance Difference	
	MUR	MUR	MUR	MUR	MUR	
<b>REVENUES</b>						
<b>Taxes on Goods and Services</b>						
Trade Fees	23,500,000		23,500,000	14,679,336	(8,820,664)	
<b>GRANTS</b>						
Grants-in-Aid	252,000,000		252,000,000	252,020,952	20,952	
<b>OTHER REVENUE</b>						
<b>Interest</b>						
Investment Income	500,000		500,000	2,288,682	1,788,682	
<b>Rent and Royalties</b>						
Rental of Land and Buildings			956,000	484,800	471,200	
Rentals -Market and Fairs	16,000,000		16,000,000	16,668,450	668,450	
<b>Sale of Goods of Services</b>						
Advertising Fees	1,200,000		1,200,000	1,251,329	51,329	
<b>Fees Funeral</b>						
Cremation/Incineration			500,000	846,450	346,450	
Bus Toll	1,500,000		1,500,000	2,021,300	521,300	
BLP Fees	5,300,000		5,300,000	7,364,352	2,064,352	
<b>Miscellaneous Revenue</b>						
Other Miscellaneous Revenues	1,678,000		222,000	226,547	4,547	
<b>TOTAL REVENUES</b>	<b>301,678,000</b>	<b>-</b>	<b>301,678,000</b>	<b>297,852,198</b>	<b>(2,883,402)</b>	
<b>EXPENSES</b>						
Compensation of Employees	176,437,353	(1,650,000)	174,787,353	164,388,325	(10,399,028)	
Cost of Utilities	24,730,150		24,730,150	25,602,011	871,861	
Fuel and Oil	4,945,000	-	4,945,000	4,534,761	(410,239)	
Rental	300,000	(100,000)	200,000	97,000	(103,000)	
Office Equipment and Furniture	1,035,000		1,035,000	462,556	(572,444)	
Office Expenses	615,000		615,000	441,086	(173,914)	
Maintenance	16,725,000	2,700,000	19,425,000	16,941,315	(2,483,685)	
Cleaning Services	302,000	875,000	1,177,000	999,605	(177,395)	
Publications and Stationery	1,065,000	75,000	1,140,000	882,416	(257,584)	
Overseas Travel	300,000		300,000	133,067	(166,933)	
Fees	19,090,000		19,090,000	18,592,101	(497,899)	
Other Goods and Services	45,350,884	(1,700,000)	43,650,884	42,886,850	(764,034)	
Contributions	425,000		425,000	232,818	(192,182)	
Social Activities/Grants	4,927,530	(200,000)	4,727,530	5,121,806	394,276	
Social Benefits	15,000,000		15,000,000	14,297,192	(702,808)	
<b>TOTAL EXPENSES</b>	<b>311,247,917</b>	<b>-</b>	<b>311,247,917</b>	<b>295,612,909</b>	<b>(15,635,008)</b>	
<b>(Deficit)/Surplus for the period</b>	<b>(9,569,917)</b>			<b>2,239,289</b>		

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<b>NOTES ON PERFORMANCE DIFFERENCES:</b>							
<b>REVENUES</b>							
(1) Trade Fees- Decrease in the amount collected is due mainly to Amendment of 12th Schedule of Local Government Act 2011 through the Financial (Miscellaneous Provisions) Act 2018 whereby payment of trade fees by Gaming operators has been transferred to the Gaming Regulatory Authority since August 2018. In addition,as from January 2020 trade fees are being paid at CBRD (Corporate Business Registration Department) at Port Louis.Amount collected is then transferred to Council.							
(2) Grant in Aid- Actual expenditures during any financial year are incurred based on budgeted revenues. Mid term review exercise is conducted during the year to provide for any changes in the approved budget in view of unforeseen increases in expenditures or any additional revenues received. In view of COVID pandemic no additional grant was received .							
<b>(3)Investment Income - Interest received on Fixed deposit matured .</b>							
<b>(4) Building and land Use Permit-</b> Increase in development projects.							
<b>EXPENSES</b>							
(5) Compensation of Employees-The decrease in expenditure as regards to this item of expenditure is mainly due to non filling of vacant and new posts .							
(6) Cost of Utilities-Being increase in consumption of electricity due to new lanterns being placed within the jurisdiction of Grand Port District. Water charges has increased in respect of consumption of newly built village halls.							
<b>(7) Expenses -</b> There has been a decrease in expenses mainly due to lock down from March 2020 to May 2020 due to COVID.							

## 12.0 SIGNIFICANT ACCOUNTING POLICIES

<b>NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020</b>	
<b>1.0 SIGNIFICANT ACCOUNTING POLICIES</b>	
<b>1.1 Basis of reporting</b>	
<b>(i) Reporting Entity</b>	
The District Council of Grand Port is a corporate body established under the Local Government Act 2011 (as amended), Part II Section 3 and 7. The place of management is Royal Road, Rose Belle.	
<b>(ii) Reporting Period</b>	
The reporting period for the Financial Statements is the year ended 30 June 2020.	
<b>(iii) Activities of the Local authorities</b>	
The Council's principal activities are the provision of sound public infrastructure and its maintenance, household waste collection, licensing of business activities, issuing of development permit and the promotion of sport, leisure and welfare activities as stipulated under Section 50 of the LGA 2011.	
<b>1.2 Basis of Preparation and Statement of Compliance</b>	
<b>(i). Compliance with regulatory framework</b>	
The financial statement of the District Council of Grand Port has been prepared in compliance with Section 133 of the Local Government Act (LGA) 2011 in accordance with the transitional International Public Sector Accounting Standards (IPSAS 33 ).	
<b>(ii). Basis of Preparation</b>	
The financial statements have been prepared on an accrual basis, using the historical cost .	
<b>(iii). Basis of Budget Preparation</b>	
The budget for Local Authorities is prepared on a cash basis, appropriated by Votes of Expenditure and Income. The statement of comparison of budget and actual amounts are prepared on the same basis as the budget. The period of approval of Budget Estimates cover the Financial Period from 1st July 2019 to 30 June 2020. The budget shall be approved by the Minister under Section 85 (2) (d) of the Local Government Act 2011. It may also be revised under Section 85 (3) (b) of the Act. The funding of the Budget Estimates is partly appropriated under Grant -In-Aid by the Parliament and internally generated income.	
<b>(iv). Currency Denomination</b>	
The Financial statements are presented in Mauritian Rupees and rounded to nearest rupee. The Local authorities elect to disclose information under the Notes (IPSAS 1.1.05).	
<b>(v) Authorization Date</b>	
The Financial Statements are prepared by all the local authorities under the provision of Section 132 of Local Government Act (LGA) 2011. The Financial Statements are approved by the Council before 31st October of the Financial Year; the Financial Statements are authorised for issue by the Chief Executive within four months of the end of every financial year to the Director and endorsed by the Chairperson and the Chief Executive under the provision of the Local Government Act 2011.	

## 13.0 NOTES TO THE CCOUNTS FOR THE YEAR ENDED 30 JUNE 2020

<b>NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020</b>			
<b>1.3 Revenue Recognition</b>			
Revenue is recognized 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 or not. The general policy of the Council is to recognize revenue on an accrual basis with the substance of the relevant agreement. Revenue is recognized as deferred income when there is a related condition attached that would give rise to a liability to repay the amount.			
Financial reporting of revenue arising from exchange transactions when one entity receives asset or services, or has liabilities exchanged, and directly gives approximately equal value in the form of cash, goods, services or use of assets to another entity in exchange. Non-exchange transactions are those transactions where there is no exchange of approximate direct benefits or value between receiving and giving entities.			
<b>1.3.1 Revenue from Exchange Transactions</b>			
<b>(i) Rent</b>			
Rental income arising from operating leases is accounted for, on a straight-line basis over the lease terms and on an accrual basis.			
<b>(ii) Building and Land Use Permit Fee (BLUP)</b>			
Building and land use permit fee is recognized on an accrual basis that is the amount actually receivable and/or collectible when the development permit is actually issued.			
<b>(iii) Interest Income</b>			
Interest income is recognized on a time proportion basis after following the procurement procedures at an arm-length taking into account the effective yield of the financial assets.			
However, it should be noted that interest income is foregone upon directives received from the Ministry of Finance and Economic Development to invest into treasury bills or treasury certificates, which may be below that the prevailing market rates.			
<b>(iv) Other Income</b>			
All other income derived from other sources are treated under accrual basis. According to IPSAS 9.19, when the outcome of the transaction can be estimated reliably, revenue from rendering of services is recognized by reference to the stage of completion. The stage of completionservices performed to date as a is measured by reference to percentage of total services to be performed.			
<b>(v) Bus toll fee</b>			
Bus toll fee is payable by every bus owner using the traffic centres facilities and the fee is accounted for as income on an accrual basis. It is payable to Council one month in advance.			
<b>(vi) Burial and Incineration fees</b>			
Burial and incinerator fees are recognized on the accrual basis that is the amount actually receivable after service actually provided.			
<b>1.3.2 Revenue from Non- Exchange Transactions</b>			
<b>(i) Tax (General Rate)</b>			
Not applicable to District Councils.			
<b>(i) Fees and penalties</b>			
<b>a) Trade fee, license and permits</b>			

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020

Trade fee is payable whenever an economic operator or any person carries out a classified trade as stipulated under Section 122 of the Local Government Act 2011.

Trade fees under the Twelfth Schedule shall be recognized on accrual basis. A surcharge of 50% shall be levied on any amount not paid within the period specified in Section 122 (4) of the Local Government Act 2011.

As from January 2020 trade operators are to pay their fees at the CBRD(Corporate and Business Registration Department) having its office at Port Louis.

### **b) Advertising fee**

Advertising fees received or receivable are accounted as income on an accrual basis unless collectability is in doubt and cannot be recognized when it is uncertain that future economic benefits will flow to the Council.

### **(ii) Capital Grants**

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

The recognized revenue may be straddled over the periods, the council operate the asset, if the condition of the grant stipulate that the council deferred reserve and should operate the asset or otherwise return the money, and then the capital grant is spread over the life time of the assets where the inflow of services is ascertained, like matched with inflow of economic benefit from the assets acquired. Otherwise the Capital grant is recognized in the statement of performance at the time of grant received. Capital grant should be grouped- under receivables from non exchange transactions.

### **(iii) Grant-In-Aid**

Grant in aid (GIA) are received from the Central Government as funding to meet the expenses or losses met by local authorities in performance of their statutory duties under the Local Government Act (LGA) 2011. They are recognized in the statement of financial performance in the period in which they become receivable.

### **(iv) Grant/ Goods In-Kind /Gifts and Donation with No Conditions**

Revenue is measured at fair value and is recognized on obtaining control of the asset (cash, goods, and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the authorities and can be measured reliably.

### **(v) Service In-kind**

The local authorities do not recognize services in kind.

### **(vi) Other Income-Concessionary Loan**

Concessionary loans should be classified as financial liabilities and the difference between loan proceeds and the fair value of the loan on initial recognition is recognized as non-exchange revenue. The financial risk should be disclosed under 'Financial Liability'.

## **1.4 Property, Plant and Equipment**

### **1.4.1 Measurement on Initial Recognition**

On initial recognition, property, plant and equipment are stated at cost. Cost includes expenditure that is directly attributable to the acquisition of the items (excluding borrowing cost). When significant parts of property, plant and equipment are required to be replaced at intervals, the authorities recognize such parts individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying satisfied. All other repair and maintenance costs are recognized as surplus or deficit as incurred.

Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.State Lands are recognized at a value estimated by the Valuation Department and /or any substantial acceptable basis of valuation which is justified in financial term.

<b>NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020</b>			
Regarding vested land, a policy will be agreed at the level of the Ministry of Finance and Economic Development.			
Where the cost of the building is not readily available, the initial measurement will be at a value estimated by the Valuation Department or /or any substantial acceptable basis of valuation which is justified in financial term.			
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. Impairment gain or loss is recognised as a surplus or deficit".			
Moreover, Councils should review only the remaining life of asset and as far as possible, councils should use straight line method. (IPSAS 17.67).			
<b>1.4.2 Class of assets</b>			
<b>a) Land (freehold and/or leasehold)</b>			
Land transferred by land and real estate promoters to the Council are in principle transferred to the Council at the token amount of MUR 1 per plot and the deed of sale clearly stipulates the condition that the land shall be used only for the purpose for which it has been vested to the Council under the Morcellement Act. Land transferred is recognized as PPE at the date the transfer took place and it is valued at fair value.			
<b>b) Vested Land</b>			
Land are vested to the Council by the Ministry of Housing and Land for its management and administration. These lands are for community use and council has no right to dispose it or use for any other purpose. These lands are transferred with conditions. No recognition is provided for these vested assets .			
<b>c) Buildings</b>			
Buildings held for use in the supply of services and for administrative purposes are stated 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.			
<b>d) Machinery and Equipment</b>			
Machinery and equipment comprises of the following group of assets:-			
Air Condition Equipment;			
Digital panel board;			
Energy saving equipment;			
Firefighting equipment;			
Generators;			
Incinerators;			
Kitchen equipment (items above Rs. 5000)			
Indoor Gym equipment;			
Lighting equipment;			
Office equipment;			
Security Equipment;			
Social Hall Equipment (Sound system, etc)			
Equipment other than vehicles; and Workshop equipment.			
<b>e) Motor Vehicles</b>			
Following several discussion with Local Authorities, it has been agreed that motor/transport vehicles shall comprise only those vehicles having a Motor Vehicle License (MVL).			

<b>NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020</b>			
<b>f) Computer and IT Equipment (&lt; 5 yrs)</b>			
The group of assets shall comprise of the following items:-			
Computer (screen, CPU, Mouse, Keyboard & other accessories);			
Laptop;			
Tablette devices;			
Printer;			
Servers;			
UPS (UNINTERRUPTIBLE POWER SUPPLY)			
Mobile devices;			
Other peripheral devices (photocopy, scanner, fax)			
It has also been agreed that this category shall also include those software that cannot be dissociated from the equipment or hardware or used on its own.			
<b>g) Infrastructure</b>			
Construction of drains, absorption pit, non-classified roads, sport facilities, children playground and other community infrastructures are recognized under public infrastructure, and are depreciated during their economic useful life. Extension of street lighting network and fixed resurfacing of existing roads are also recognized as assets and there of depreciated.			
Cost of patching of roads, fixing of traffic signs and names plates are charged to the income statement as expenses in the year they are incurred. However, overhauling of road are capitalized.			
<b>h) Leased Assets</b>			
Currently Local Authorities do not have any assets acquired under a lease agreement. However, they are eligible to acquire assets under a lease agreement. Therefore, accounting policies is design to provide the use of acquiring assets under a lease agreement.			
<b>i) Furniture, Fittings &amp; Fixtures</b>			
Furniture and fixtures are larger items of movable equipment that are used to furnish an office. Examples are bookcases, chairs, desks, filing cabinets, and tables.			
<b>j) Heritage Asset</b>			
Regarding the initial recognition of Heritage Assets, no value shall be assigned due to the lack of an accurate estimation. However, any enhancement or capital renovation should be recognised as <PPE>, as being recommended by the European Public Sector Accounting Standards (EPSAS) for transparency and accountability purposes.			
<b>1.4.3 Depreciation Rates</b>			
Depreciation is charged so as to write off the cost of fixed assets less the residual value at the annual estimated rates over their useful lives using the straight-line method.			
The annual rates are used in the calculation of depreciation and is inclusive of the residual value convergence with Authorities Accounts.			

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020

Description	Depreciation Rate
Freehold Land	0
Leasehold Land	0
Building	2%
Machinery and Equipment	5% to 25%
Vehicles	12.5%
Computer and IT Equipment (< 5 yrs)	25%
Infrastructure (Roads, Bridges and Drains)	2% to 10%
Leased Asset	5% to 25%
Furniture, Fittings & Fixtures	10%
Intangible Asset	12.50% <i>Please refer below</i>

It is to be noted that, immovable property without any structure or building are not depreciated (freehold and leasehold land).

### 1.4.4 Borrowing Costs

Borrowing costs are recognized as an expense in the period in which they are incurred.

### 1.4.5 Subsequent Measurement

#### **Land**

After recognition, land is stated in the statement of financial position at its revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent impairment losses.

#### **All other property, plant and equipment**

Machinery and equipment, IT appliances & computer, motor vehicles and furniture, fixtures, fittings should be stated at cost less accumulated depreciation and accumulated impairment losses, and is stated at its carrying value.

### 1.4.6 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, excluding borrowing costs. They are classified as Property, Plant and Equipment.(PPE)

Depreciation of these assets commences when the assets are ready for their intended use and is on the same basis as other property assets.

### 1.4.7 Impairment of Asset

When the carrying amount of an asset is greater than its estimated recoverable service amount or recoverable amount, it is written down to its recoverable service amount and an impairment loss is recognized as surplus or deficit.

### 1.4.8 De-recognition

Property, plant and equipment and/or any significant part of an asset are derecognized upon disposal or when no future economic benefits or service potential is expected from its continuing use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the surplus or deficit when the asset is derecognized.

## 1.5 Leases

Lease is classified as finance lease when all the risks and benefits incidental to ownership of an asset is transferred to the lessee. 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

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020

(initial recognition). 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.

### 1.5.1 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 an expense in the statement of financial performance. Finance lease receivable is recognized as an asset in the statement of financial position at an amount equal to the net investment in the lease (IPSAS 13.48).

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 (IPSAS 13.51).

### 1.5.2 Operating Lease

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

Under an operating lease:

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

Assets held under operating lease are 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 as expense over the lease term on the same basis as the lease revenue. (IPSAS 13.65).

### 1.6 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 do not meet both the recognition and definition criteria is treated as an expense in the 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 which has been measured at the fair value at the date of acquisition. The economic useful life of an intangible asset is assessed as finite or infinite. Application software is classified as an intangible asset while operating software is recognized as property, plant and equipment as it cannot be separated from the latter. The cost of intangible is amortized over its useful economic life. Impairment test is carried out whenever there is indication that the asset may be impaired.

Application software (Ebiz System) 8 years

Operating Software (Office) and software licen 8 years

The amortization period and the amortization method for an intangible asset with a finite life should be amortized using the straight-line method and 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. Amortization expense is recognized as surplus or deficit under the amortization cost of intangible assets.

Gains or losses arising from de-recognition of an intangible asset 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.

### 1.7 Impairment of Non-Financial Assets

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

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020

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. (IPSAS 21.14)

### 1.7.1 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 it does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or the cash generating unit exceeds its recoverable amount, the asset is considered impaired and it is written down to its recoverable amount. However, any impairment losses on a revalued asset is treated as a revaluation decrease (IPSAS 26.73)

#### **Value in Use**

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.

#### **Fair Value less Cost to Sell**

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.

#### **Recognizing and Measuring Impairment Loss**

Impairment losses from 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.

#### **Reversal of Impairment Losses**

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable 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 years. Such reversal is recognized in surplus or deficit except for asset carried at revalued amount.

After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

### 1.7.2 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 as impaired and is written down to its recoverable service amount.

#### **Fair Value Less Costs to Sell**

The fair value less cost to sell is the market value/price less cost of disposal based on the best available information.

#### **Value in Use**

The depreciated replacement cost approach has been adopted by the 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.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020

### Reversal of Impairment

An individual assessment of asset is carried out at each reporting date to identify any indication that previously impairment loss may no longer exist or may have decreased. An estimation of the asset's recoverable service amount is carried out. A previously recognized impairment loss is reversed only when there has been a change in the assumptions used to determine the asset's service amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount does not exceed its recoverable service amount, nor exceed the carrying amount, 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.

### 1.8 Financial Instruments

Please note that as from 01 Jan 2022, IPSAS 29 will be replaced by IPSAS 41 for annual periods beginning on or after 1 January 2022, with earlier application encouraged.

IPSAS 41 replaces IPSAS 29, while providing entities a transition option to continue to apply the hedge accounting requirements of IPSAS 29. If an entity elects to apply this Standard early, it must disclose the fact and apply all of the requirements.

#### 1.8.1 Initial Recognition of Financial Assets

An entity shall recognize a financial asset in its Statement of Financial Position when, and only when, the entity becomes party to the contractual provisions of the instrument. (IPSAS 41.10)

Councils' financial assets include: cash and cash equivalent; term deposits; trade and other receivables; loans and other receivables.

#### 1.8.2 Classification of Financial Assets

##### **IPSAS 29.47: Financial assets are measured based on their respective classification.**

They are classified into four categories namely: financial assets measured at fair value through surplus or deficit, held-to-maturity investments, loans and receivables, and available-for-sale financial assets.

- Available-for-sale financial assets

Available-for-sale of financial assets are assets that are designated as available for sale or not classified as loans and receivables, held-to-maturity or financial assets at fair value through surplus or deficit. After initial measurement, available-for-sale assets are subsequently measured at fair value with gains and losses recognized directly in net assets through the statement of changes in the net assets. When the financial asset is de-recognized, then the cumulative gain or loss is recognized in surplus or deficit.

##### ***It is to be noted that available-for-sale is not applicable as per the revised classification of IPSAS 41.39.***

- Held-to-maturity investments (Fixed Deposit)

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council has the positive intention and ability to hold to maturity.

If the Council was to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale.

They are presented as non-current assets, except for those maturing within 12 months after the balance sheet date which are presented as current assets.

Held-to-maturity financial assets are measured at amortized cost using the effective interest method less impairment loss.

The amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the effective interest rate. Any loss arising from impairment of the asset is recognized in the surplus or deficit.

##### ***It is to be noted that held-to-maturity is not applicable as per the revised classification of IPSAS 41.39.***

<b>NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020</b>			
• Loan and receivables			
Loans and other receivables are non-derivative financial assets with fixed or determinable payments and are not quoted in an active market. After its initial measurement, such assets are subsequently measured at amortized cost using the effective interest method less any impairment loss.			
The local authority assesses its loans and receivables (including trade receivables) and its held-to-maturity investments at the end of each reporting period. In determining whether an impairment loss should be recorded as surplus or deficit, the local authority evaluates the indicators present in the market to determine if these indicators are indicative of impairment in its loans and receivables or held-to-maturity investments.			
<b>IPSAS 41.39: According to IPSAS 41.39, an entity shall classify financial assets as:-</b>			
(a) subsequently measured at amortised cost,			
(b) fair value through net assets/equity or			
(c) fair value through surplus or deficit on the basis of both:			
• The entity's management model for financial assets and			
• The contractual cash flow characteristics of the financial asset.			
<b>1.8.3 Measurement of Financial Assets</b>			
• Initial Measurement			
According to IPSAS 41.57 on initial recognition, financial assets are measured at fair value plus or minus and in the case of a financial asset not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset.			
<b>IPSAS 41.60:- At initial recognition, an entity may measure short-term receivables and payables at the original invoice amount the effect of discounting is immaterial.</b>			
• Subsequent Measurement			
(a). A financial asset shall be measured at amortized cost if both of the following conditions are met:			
• 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. (IPSAS 41.40)			
(b). A financial asset shall be measured at fair value through net assets/equity if both of the following conditions are met:			
• The financial asset is held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and			
• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. (IPSAS 41.40)			
(c). A financial asset shall be measured at fair value through surplus or deficit unless it measured at amortized cost in accordance with Para (a) above or at fair value through net assets/equity in accordance with Para (b). However, an entity may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through surplus or deficit to present subsequent changes in fair value in net assets/equity. (IPSAS 41:43)			

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020

**IPSAS 29.47:- Financial assets at fair value through surplus or deficit include financial assets held for trading and that are designated upon initial recognition at fair value through surplus or deficit. Financial assets are classified as held for trading if they are acquired for the purpose of trading in the near future. Financial assets at fair value through surplus or deficit are carried in the statement of financial position at fair value with changes in the fair value recognized in surplus or deficit. (IPSAS 29.47)**  
Financial assets at fair value through surplus or deficit' (FVTSD) are as laid down below:-

- Investment in quoted and unquoted shares.

It is to be noted that only for unquoted shares the value is at NAV.

### 1.8.4 De-recognition of Financial Assets

A financial asset is derecognised when, and only when the two conditions applies:-

(a) The contractual rights to the cash flows from the financial asset expire or are waived or

(b) It transfers the financial asset and the transfer qualifies for derecognition.

ii. De-recognition is applied on transfer of a financial asset if, and only if, it either:-

(a) Transfers the contractual rights to receive the cash flows of the financial asset; or

(b) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

iii. On a transfer of financial asset, it shall evaluate the extent to which it retains the risks and rewards of ownership of the financial asset.

In this case:-

a. If the entity transfers substantially all the risks and rewards of ownership of the financial asset, the asset shall derecognize the financial asset and recognize separately as assets or liabilities any rights and obligations created or retained in the transfer.

b. If the entity retains substantially all the risks and rewards of ownership of the financial asset, the entity shall continue to recognize the financial asset.

c. If the entity neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, the entity shall determine whether it has retained control of the financial asset.

d. If the entity has not retained control, it shall derecognise the financial asset and recognize separately as assets or liabilities any rights and obligations created or retained in the transfer.

e. If the entity has retained control, it shall continue to recognize the financial asset to the extent of its continuing involvement in the financial asset.

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

### Transfers that qualify for derecognition

IPSAS 41.21:- If an entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it shall recognize either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for that servicing obligation shall be recognized at its fair value. If the fee to be received is expected to be more than

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020

adequate compensation for the servicing, a servicing asset shall be recognized for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

**IPSAS 41.22:- If, as a result of a transfer, a financial asset is derecognized in its entirety but the transfer results in the entity obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the entity shall recognize the new financial asset, financial liability or servicing liability at fair value.**

### **Transfers that do not qualify for derecognition**

**IPSAS 41.26:- If a transfer does not result in derecognition because the entity has retained substantially all the risks and rewards of ownership of the transferred asset, the entity shall continue to recognize a financial liability for the consideration received. In subsequent periods, the entity shall recognize any revenue on the transferred asset and any expense incurred on the financial liability.**

### **IPSAS 41.27: - Continuing Involvement in Transferred Assets**

If an entity neither transfers nor retains substantially all the risks and reward of ownership of a transferred asset, and retains control of the transferred asset, the entity shall continue to recognize the transferred asset to the extent of its continuing involvement.

### **IPSAS 41.33: - All Transfers**

If a transferred asset continues to be recognized, the asset and the associated liability shall not be offset. Similarly, the entity shall not offset any revenue arising from the transferred asset with any expense incurred on the associated liability.

### **1.8.5 Impairment of Financial assets**

**IPSAS 29.67:- Financial assets are deemed to be impaired if there is objective evidence of impairment as result of one or more events that has occurred after the initial recognition of the asset and that the event has an impact on the estimated future cash flows of the asset or group of assets that can be reliably estimated.**

### **IPSAS 41**

The IPSASB notes that for many public sector entities, receivables may be the only significant financial asset held. In addition, public sector entities may not have an ability to choose the counterparties they transact with because of the nature of services provided and laws or regulations requiring provision of services to all service recipients. Under such scenarios, credit risk information at an individual counterparty level and forward looking information/forecasts may not be available.

The IPSASB considered whether public sector modifications or additional guidance should be included in the Standard and concluded that the simplified approach for receivables along with practical expedients available in determining expected credit losses provide relief to the practical challenges.

### **IPSAS 41.73-41.80 Recognition of Expected Credit Losses**

#### **General approach**

An entity shall recognize a loss allowance for expected credit losses on a financial asset, a lease receivable or a loan commitment and a financial guarantee contract.

An entity shall apply the impairment requirements for the recognition and measurement of a loss allowance for financial assets that are measured at fair value through net assets/equity. However, the loss allowance shall be recognized in net assets/equity and shall not reduce the carrying amount of the financial asset in the Statement of Financial Position.

At each reporting date, an entity shall measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

The objective of the impairment requirements recognize lifetime expected credit losses for all financial instruments.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020

If at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, an entity shall measure the loss allowance for that financial instrument, at an amount equal to 12-month expected credit losses.

For loan commitments and financial guarantee contracts, the date that the entity becomes a party to the irrevocable commitment shall be considered to be the date of initial recognition for the purposes of applying the impairment requirements.

If an entity has measured the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses in the previous reporting period, but determines at the current reporting date that the credit risk on that financial instrument has not increased significantly since initial recognition, the entity shall measure the loss allowance at an amount equal to 12-month expected credit losses at the current reporting period.

An entity shall recognize in surplus or deficit, as 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.

### IPSAS 41.81-41.83

#### Determining significant increases in credit Risk

- At each reporting date, an entity shall assess whether the credit risk on a financial instrument has increased significantly since initial recognition.

- To make that assessment, an entity shall compare the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

- There is a rebuttable presumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payment are more than 30 days past due.

### IPSAS 41.84: - Modified Financial Assets

If the contractual cash flows on a financial asset have been renegotiated or modified and the financial asset was not derecognized, an entity shall assess whether there has been a significant increase in the credit risk of the financial instrument by comparing the risk of a default occurring at the reporting date and the risk of a default occurring at initial recognition.

### IPSAS 41.85-41.86: - Purchased or originated credit-impaired Financial Assets

At the reporting date, an entity shall only recognize the cumulative changes in lifetime expected credit losses since initial recognition as a loss allowance for purchased or originated credit-impaired financial assets. An entity shall recognize in surplus or deficit the amount of the credit losses as an change in lifetime expected impairment gain or loss.

### IPSAS 41.87: - Simplified Approach for Receivables

An entity shall always measure the loss allowance at an amount equal to lifetime expected credit losses for:

- a) Receivables that result from exchange and non-exchange transactions.
- b) Lease Receivables

An entity may select its accounting policy for trade receivables and lease receivables independently of each other. The requirements for purchased or originated credit-impaired financial assets do not apply to short-term receivables.

### 1.8.6 Reclassification of Financial Assets

#### IPSAS 41.94-41.100: -

- When, and only when, an entity changes its management model for financial assets, it shall classify all affected financial assets.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020

- A change in the objective of the entity's management model must be effected before the reclassification date.

The following are not changes in management model:

- a) A change in intention related to particular financial assets
- b) The temporary disappearance of a particular market for financial assets
- c) A transfer of financial assets between parts of the entity with management models.

- An entity shall not reclassify any financial liability.

If an entity reclassifies financial assets, it shall apply the reclassification prospectively from the classification date. The entity shall not restate any previously recognized gains, losses or interest.

If an entity reclassifies a financial asset out of the amortized cost measurement category and into the fair value through surplus or deficit measurement category, its fair value is measured at the reclassification date. Any gain or loss arising from a difference between the previous amortized cost or the financial asset and fair value is recognized in surplus or deficit.

If an entity reclassifies a financial asset out of the fair value through surplus or deficit measurement category and into the amortized cost measurement category, its fair value at the reclassification date becomes its new gross carrying amount.

If an entity reclassifies a financial asset out of the amortized cost measurement category and into the fair value through net assets/equity measurement category, its fair value is measured at the reclassification date. Any gain or loss arising from a difference between the previous amortized cost of the financial asset and fair value is recognized in net assets/equity. The effective interest rate and the measurement of expected credit losses are not adjusted as a result of the reclassification.

If an entity reclassifies a financial asset out of the fair value through net assets/equity measurement category and into the amortized cost measurement category, the financial asset is reclassified at its fair value at the reconciliation date.

- As a result, the financial asset is measured at the reclassification date as if it had always been measured at amortized cost. This adjustment affects net assets/equity but does not affect surplus or deficit and therefore is not a reclassification adjustment. The effective interest rate and the measurement of expected credit losses are not adjusted as a result of the reclassification..

- If an entity reclassifies a financial asset out of the fair value through surplus or deficit measurement category and into the fair value through net assets/equity measurement category and into the fair value through surplus or deficit measurement category, the financial asset continues to be measured at fair value.

- The cumulative gain or loss previously recognized in net assets/equity is reclassified from net assets/equity to surplus or deficit as a reclassification adjustment at the reclassification date.

### 1.8.7 Financial Liabilities

### 1.8.8 Initial Recognition and Measurement

IPSAS 29: - Upon initial recognition the financial liability is measured at its fair value plus the transaction cost that are directly attributed to the acquisition of the financial liability except when the financial liability is measured at its fair value through surplus or deficit. Therefore, the composition of financial liabilities is loan, trade and other payables.

IPSAS 41.57: -

- An entity shall recognize a financial asset or a financial liability in its Statement of Financial Position when, and only when, the entity becomes party to the contractual provisions of the instrument.
- Except for short-term payables, at initial recognition, an entity shall measure a financial liability 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.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020

### IPSAS 29:-Financial Liabilities at Fair Value through surplus or deficit

Financial liabilities at fair value through surplus or deficit include financial liabilities held for trading. Such financial liabilities are hedging instruments. Any gain or loss in a hedging transaction is recognized as the surplus or deficit.

#### 1.8.9 Classification of Financial Liabilities

An entity shall classify all financial liabilities as subsequently measured at amortized cost except for:

- a. Financial liabilities at fair value through surplus or deficit
- b. Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies
- c. Financial guarantee contracts
- d. Commitments to provide a loan of a below-market interest rate
- e. Contingent consideration recognized by an acquirer in a public sector combination

#### Option to designate a financial liability at fair value through surplus or deficit

An entity may, at initial recognition, irrevocably designate a financial liability as measured at fair value through surplus or deficit when permitted by the paragraph below:

If a contract contains one or more embedded derivatives and the host is not an asset within the scope of this Standard, an entity may designate the entire hybrid contract at fair value through surplus or deficit Or when doing so results in more relevant information, because either:

- a) It eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases or
- b) A group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the entity's key management personnel.

#### 1.8.10 Subsequent Measurement of Financial Liabilities

### IPSAS 29

All financial liabilities are measured at amortized cost using cost effective interest method except for financial liabilities at fair value through surplus or deficit and financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the applies.continuing involvement approach

After initial recognition, an entity shall measure a financial liability at amortized cost or irrevocably designate a financial liability as measured through surplus or deficit.

#### The local authorities' financial liabilities include the following:

- Interest Bearing Loans and Borrowings (loan)

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

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020**

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

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

- Concessionary Loans

**IPSAS 29**

For concessionary loans, the difference between the fair value and the loan proceed is accounted for as revenue from non-exchange transactions. However, if a present obligation exists, a liability is recognized and as the present obligation is satisfied, the liability is reduced and an equal amount of revenue is recognized. For concessionary loans granted, councils should provide disclosures as per IPSAS 30.37 (revised)

**IPSAS 41**

- Concessionary loans are granted to or received by an entity at below market terms. Below market terms can result from interest and/or principal concessions. Examples: loans from development agencies

- The granting or receiving of a concessionary loan is distinguished from the waiver of debt owing to or by an entity. This distinction is important because it affects whether the below market conditions are considered in the initial recognition or measurement of the loan rather than as part of the subsequent measurement or derecognition.

- The intention of a concessionary loan at the outset is to provide or receive resources at below market terms. A waiver of debt results from loans initially granted or received at market related terms where the intention of either party to the loan has changed subsequent to its initial issue or receipt.

- Concessionary loans also share many characteristics with originated credit-impaired loans. Whether a loan is classified as concessionary or originated credit-impaired determines whether the difference between the transaction price and the fair value of the loan is recognized as a concession or as a credit loss in the statement of financial performance.

- Whether a loan is concessionary or originated credit-impaired depends on its substance. An intention to incorporate a non-exchange component into the transaction, such as a transfer of resources, indicates the loan is concessionary. The non-exchange component is incorporated into the transaction by granting the loan at below market terms. By contrast, originated credit-impaired loans are loans where one or more events, that have a detrimental impact on the estimated future cash flows of the financial asset, have occurred.

- 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, an entity therefore analyses the substance of the loan granted or received into its component parts, and accounts for those components.

- An entity first assesses whether the substance of the concessionary loan is in fact, a non-exchange transaction, a contribution from owners or a combination thereof. If an entity has determined that the transaction, or part of the transaction, is a loan, it assesses whether the transaction price represents the fair value of the loan on initial recognition. An entity determines the fair value of the loan. Where an entity reference to an active cannot determine fair value by market, it uses a valuation technique. Fair value using a valuation technique could be determined by discounting all future cash receipts using a market-related rate of interest for a similar loan.

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

(a) Where the loan is received by an entity, the difference is accounted for in accordance with IPSAS 23

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020

(b) Where the loan is granted by an entity, the difference is treated as an expense in surplus or deficit at initial recognition, except where the loan is a transaction with owners, in their capacity as owners. Where the loan is a transaction with owners in their capacity as owners, the difference may represent a capital contribution.

- Commitment to Provide loans at below market interest rate

The commitment to provide loan is recognized initially as a liability at fair value.

Subsequently, unless the liability has been designated at fair value through surplus or deficit, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount **initially recognized less cumulative amortization.** (Currently the local authority do not take commitment to provide loan at below market interest rate and car loan provided to employees at below market rate is considered under loan and other payables). (However local authorities are not vested with these Financial Guarantee Contracts and is essential to be stipulated, if ever an event of similar nature happen.)

### 1.8.11 De-recognition of financial liabilities

**IPSAS 29:- A financial liability is de-recognized (removed from the statement of financial position) when the obligation under** liability is discharged, waived, cancelled, expired or when an existing liability is replaced by another from the same source on substantially different terms. When the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability and the difference in the respective carrying amounts is recognized as surplus or deficit.

#### Offsetting of financial instruments

Financial assets and liabilities are offset only if there is an enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, and the net amount is accounted for in the statement of financial position.

- An entity shall remove a financial liability (or a part of a financial liability) from its 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, shall be recognized in surplus or deficit

- If an entity repurchases a part of a financial liability, the entity shall allocate the previous carrying amount of the financial liability 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 shall be recognized in surplus or deficit.

### 1.8.12 Trade and other payables

Trade and other payables are stated at their nominal value. All known trade payables are recognized at cost. They are classified as current liabilities if payment is due within one year. Otherwise, they are presented as non-current liabilities.

According to IPSAS 41.60, at initial recognition, an entity may measure short term payables at the original invoice amount if the effect of discounting is immaterial.

*IPSAS 45.1 stipulates that TRADE AND OTHER PAYABLE should be identified between exchange or non-exchange transaction and should also be disclosed within the Financial Liabilities under the Current Liabilities.*

*Also Carrying amount of each categories of financial liabilities to be disclosed in the notes or the Statement of Financial position as per IPAS 30.11.*

Long term payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020

### 1.8.13 Prepayments

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

The Local authority recognizes prepayments in relation to the following: rent, goods, services.

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

### 1.8.14 Taxes

#### (i) 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.

#### (ii) Local authorities are not entities which manage and maintain a value added tax dealing with input and output

tax. Therefore, all its services provided to the general public, whether exchange and non-exchange do not attract output tax, but Local authorities pay VAT to suppliers in exchange of services received in financial assets or non-financial assets so the VAT is considered as the invoice value.

### Inventories

As per IPSAS 12, Inventories are measured at the lower of cost and net realisable value. Inventory received free or at nominal cost in a non-exchange transaction is recognized at fair value at the date of acquisition.

- Raw materials are accounted for at purchase cost and issues are accounted on a First in First Out Basis
- The valuation of inventories is currently on a weighted average.
- Work-in-progress are accounted at cost of direct materials plus labor cost and a proportion of overheads based on normal operating capacity, but excludes borrowing cost. (This type of work in progress refer to inventories for resale and therefore not applicable to local authorities)

#### 1.9.1 Initial Recognition

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 currently measured at weighted average value but should always follow the FIFO basis for issuing purposes.

Value for the item of stock is the cost charged by supplier plus any direct related cost. The Council practices the first in first out basis (FIFO) for the issue of stock items. 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 recognized as an expense and is reported in general expenses and amount of inventory recognised as expense during the period has to be disclosed (IPSAS 12.47(d)).

### 1.10 Cash and Cash Equivalents

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

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020

to known amounts of cash and which are subject to insignificant risk of change in value. The council should also disclose the composition of cash at bank which are scheduled to be used for capital projects. Local authorities are required to reconcile the (deficit)/surplus with the net cash flow from operating activities.

In line with IPSAS 2.29, Entities should disclose, together with a commentary by management in the notes to the financial statements, the amount of significant cash and cash equivalent balances held by the entity that are not available for use by the economic entity.

### 1.11 Provisions

Provisions are recognized when the Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefit or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet 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.

### 1.12 Contingent Liabilities

Currently 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.

The legal advisors, on instruction, shall assess the probability of the outcome of any litigation in term of financial resources.

If there is a high probability that there will be a liability, then the full amount is included as contingency.

### 1.13 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.

Contingent assets are assessed continually to ensure that developments are appropriately reflected in the consolidated financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the consolidated financial statements of the period in which the change occurs.

### 1.14 Employee Benefits

#### 1.14.1 Retirement Benefit Costs

##### *(i) State Plan*

The Council contributes 6 % of the gross emoluments for 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. The above contributions are charged to statement of profit or loss in the year they are due.

##### *(i) Defined Contribution Plan*

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

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020**

**(ii) 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.

**(iii) Compassionate Allowance**

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

**(iv) Defined Benefit Plan**

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

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

The liability recognized in the balance sheet 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 unrecognized 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 charged or credited to equity in other comprehensive income in the period when they arise.

Past service costs are recognized immediately in profit or loss.

**(v) Bank of Sick Leave**

Bank of sick leave are expensed in the period the employee renders the service and a liability is recognized in respect of amount not paid at the end of the financial year.

**(vi) Unutilized Vacation Leave**

Vacation leaves are expensed in the period the employee renders the service and a liability is recognized in respect of amount not paid at the end of the financial year.

Local authorities shall compute all potential liabilities in respect of unutilized vacation leave as it consists of the employee entitlements.

**(v) Termination Benefits**

Termination benefits result from either the Authorities' decision to terminate the employment or an employee's decision to accept an entity's offer of benefits in exchange for termination of employment.

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.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020

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.

### 1.15 Nature and Purpose of Reserves

The Council creates maintains reserves in terms of specific requirements.

The council shall disclose the nature and purpose of each reserves as per IPSAS 1.95 (c).

#### 1.15.1 Pension Fund

Enacted under section 81 of the Local Government Act 2011, a pension fund has been established by Council with a monthly contribution, in line with the Pay Research Bureau (PRB) recommendation. The retirement benefit is paid out of it to retired employees of the Council. These include payment of retirement benefits to employees transferred from another local authority, public service, statutory body or from any other institution. Actuarial report is carried out to determine the pension liability and adjustment is made accordingly to the surplus or deficit in the statement of financial performance and statement of financial position. The pension fund is managed by the State Insurance Company and therefore it is not included in the statement of changes in net asset.

#### 1.15.2 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 in local authorities transferred from other Local Authorities, from the public service, from a statutory body or from any other institution.

Income derived from investment of the unutilized passage benefit payable to employees of the Council is considered as surplus in the statement of Performance

The financial liabilities should be recognized under both current and non-current assets and any funds invested for passage obligation payments are considered as investments.

Interest income generated from investment of the Passage Fund is not accounted as a reporting income on the statement of performance, in compliance with Section 81(5) (b) of the Local Government Act 2011.

### 1.16 Events after the reporting Date

The Local authorities should adjust its financial statements for adjusting events after the reporting date (30th June) up to the authorized date for issue under the provision of the LGA 2011. The Local authorities should disclose only non-adjusting events.

*Adjusting events that provide evidence of conditions that existed at the balance date namely trade debtors trade creditors other receivable and payables, deposit refunded etc. The Financial statements should be adjusted to reflect those events.*

*Non-adjusting events are indicative of conditions that arose after the reporting date.*

Therefore, the Financial Statements are not adjusted, but however should be disclosed as notes to account (the changes in fair value of the assets and the condition did not exist at the reporting date). The following disclosure is needed subject to its materiality

- Nature of the event

- Estimates of the financial impact or a statement that such an estimate cannot be made

### 1.17 Related Parties

Related parties are entities that control or have significant influence over the reporting entity. However key management personnel, district councilors, Chairman, Vice Chairman, Government, parent ministry and the Ministry of Finance and Economic Development (MOFED) are considered as related parties as a result of their significant influence on the reporting entity.

The village Councils are significantly influenced by its Chairperson, Vice-Chairperson and District Councilors given that they are separate legal entities as per Local Government Act 2011 and the District Council is responsible for overseeing the administration. The village council funds are managed by the Chief Executive and Financial Controller of the District Council.

The Council has no significant influence over the decision-making process of the village councils. The expenditure of village councils is disclosed under grant and subsidies as one-line item.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020

Transactions between these related parties and the Public Sector is disclosed in these consolidated financial statements except for transactions that would occur within a normal supplier or client/recipient relationship on terms and conditions no more or less favorable than those which it is reasonable to expect the Public Sector would have adopted when dealing with that individual or entity at arm's length in the same circumstances.

### 1.18 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.

Disclosure should be by way of disclosure note (IPSAS 24.29 (a)) or in a report issued before, at the same time as, or in conjunction with the financial statements.

#### **Comparison of final budget with actual financial insights:**

- The approved budgets items and explanation of any material variances.
- The disclosure of any entities where grants are provided and/order any other bodies (all name of village councils with their respective grants allocated.)
- Period of approved budget estimates for local authorities should be disclosed.

### 1.19 Critical Accounting Estimates, Assumptions and Judgement in Applying Accounting Policies and Estimates

The preparation of the financial statements in conformity with IPSAS requires the local authorities to make certain accounting estimates and judgements that have an impact on the policies and the finance insights reported in the financial statements. Estimates and judgements are continually evaluated and based on historical experiences and other factors, including expectations of future events that are believed to be reasonable at the time such estimates and judgements are made, although actual experience may vary from these estimates. The estimates and assumptions that have a significant risk of causing adjustment to carrying amounts of assets and liabilities are discussed below.

#### 1.19.1 Provisions

Provisions are measured at the management's best estimates of the potential financial obligational based on the information available at the reporting date.

#### 1.19.2 Provision for Bad debts

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

However, no claim for arrears of revenue shall be abandoned and no loss of revenue shall be written off except with the approval of the Minister under Section 145 of the Local Government Act 2011.

The district Council shall ensure that all avenues for the recovery of the revenue has been explored before submission for abandonment of revenue to the Minister.

#### 1.19.3 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.

The economic useful life and its residual value is assessed based on the condition of the asset based on the assessment of experts employed by the Public Sector.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020

### 1.19.4 Fair Value Estimation

Financial assets and financial liabilities recognized in the statement of financial position cannot be 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 and adjusted net asset method. The inputs to the models are obtained from the market, where possible, otherwise judgment is required in establishing fair value. Judgement includes the consideration of inputs like liquidity risk, credit risk, and volatility. Any change in value of assumptions may affect the fair value of the assets and liabilities.

### 1.19.5 Factors determining 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 on the carrying amount of pension obligations.

### 1.19.6 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.

The Council has the right to change its accounting policies only if required by an IPSAS or if the change results into the financial statement providing faithfully representative, and more relevant information.

#### • Impairment of Non-Financial Assets - Cash-Generating Assets

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumptions may change, which may then impact management's estimations and require a material adjustment to the carrying value of non-financial assets.

The Public Sector reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable.

Cash-generating assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates of expected future cash flows are prepared for each group of assets. Expected future cash flows used to determine the value in use of nonfinancial assets are inherently uncertain and could materially change over time.

The Public Sector reviews and tests the carrying value of non-cash-generating assets when events or changes in circumstances suggest that there may be a reduction in asset. Where indicators of possible impairment are present, the Public Sector undertakes impairment tests, which require the determination of the fair value of the asset and its recoverable service amount.

The estimation of these inputs into the calculation relies on the use estimates and assumptions.

Any subsequent changes to the factors supporting these estimates and assumptions may have an impact on the reported carrying amount of the related asset.

#### • Inventories

The Public Sector estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices or future service potential.

### 1.20 Financial Risk Management

The Council is exposed to interest rate, credit and liquidity risks. Management of the Council should be focused on the mitigation of financial, liquidity and credit risks resulting in minimizing potential adverse effects on the financial performance and service delivery of the Council. Description of the risk is required and should be supported with figures together with simulation and sensitivity analysis.

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020**

**1.20.1 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.

**1.20.2 Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of credit facilities. The Council has appropriate management policy in place to ensure that there is sufficient cash to meet its financial obligations. The Financial Management Manual (FMM) as a tool also recommend a proper, adequate and sound liquidity management.

**1.20.3 Interest rate risk**

Interest rate risk is associated with the fair value of the future cash flow of a financial instrument will fluctuate as a result of volatile financial market influencing the interest instrument will fluctuate as a result of volatile financial market influencing the interest rate.

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020**

	Notes	2019-20	2018-19
		MUR	MUR
<b>Fees, fines and penalties</b>	<b>2</b>		
Trade Fees	2.1	14,679,336	17,222,350
Advertising And Publicity Fees		1,251,329	1,337,934
Fines	2.2	100,000	0
		<b>16,030,665</b>	<b>18,560,284</b>
<b>Trade Fees</b>	<b>2.1</b>		
Trade Fees		14,380,336	17,150,350
Occasional Fees		299,000	72,000
		<b>14,679,336</b>	<b>17,222,350</b>
<b>Penalty fees</b>	<b>2.2</b>		
Penalty BLP		100,000	0
		<b>100,000</b>	<b>0</b>
<b>Public Contributions And Donations</b>	<b>3</b>		
Public Contributions And Donations		324,650	0
		<b>324,650</b>	<b>-</b>
<b>Government Grant</b>	<b>4</b>		
Government Grant in Aid		252,020,952	253,876,778
Other Grants	4.1	69,094,779	85,558,615
		<b>321,115,731</b>	<b>339,435,393.00</b>

<b>Other Grants</b>			<b>4.1</b>	<b>2019-20</b>	<b>2018-19</b>
National Development Projects				23,456,872	85,558,615
Local Development Projects				41,944,572	
<b>Special Grants:-</b>					
National Day Celebration				125,000	
Other Grants				3,568,336	
				<b>69,094,779</b>	<b>85,558,615</b>
Grant in Aid may be in term of capital expenditure and revenue expenditure. The GIA representing revenue expenditure is recognized directly to the statement of performance. Where as the GIA for capital expenditure, in principle is also recognized in in statement of performance. But in circumstances where there is conditional attached to the capital Grant namely management of the assets and if the grant is not used should be refunded to the grantor ,then the Grant is treated as a deferred income .					
<b>Other Revenue Non Exchange Transaction</b>			<b>5</b>	<b>2019-20</b>	<b>2018-19</b>
				<b>MUR</b>	<b>MUR</b>
Stale Cheques				5,362,158	-
Insurance workmen Compensation				48,250	
Fees Burial				108,450	116,925.00
Incineration Fees				738,000	567,000.00
Decrease in Provisions					
Advances pensioners					
Others Miscellaneous Revenue				5,860	674,780.16
Amortisation					
				<b>6,262,718</b>	<b>1,358,705</b>
<b>Building and Land Use Permit Fees(BLUP)</b>			<b>6</b>	<b>2019-20</b>	<b>2018-19</b>
				<b>MUR</b>	<b>MUR</b>
Building and Land Use Permit Fees				7,364,352	9,725,125
				<b>7,364,352</b>	<b>9,725,125</b>
<b>Rent and Royalties</b>			<b>7</b>	<b>2019-20</b>	<b>2018-19</b>
				<b>MUR</b>	<b>MUR</b>
Markets and Fairs				16,668,450	23,089,075
Buildings(Offices/Housing etc)				484,800	525,240
Bus Toll Fees				2,021,300	1,472,975
				<b>19,174,550</b>	<b>25,087,290</b>
<b>Financial Income</b>			<b>8</b>	<b>2019-20</b>	<b>2018-19</b>
				<b>MUR</b>	<b>MUR</b>
Interest on Investment and Deposits				2,288,682	1,828,154
				<b>2,288,682</b>	<b>1,828,154</b>
<b>Other Revenue Exchange Transaction</b>			<b>9</b>	<b>2019-20</b>	<b>2018-19</b>
				<b>MUR</b>	<b>MUR</b>
Reinstatement Fees					
Fees Enclosures /Obstructions				115,000	192,300
Fees Trade and Industrial Refuse				13,400	
Library Fees				5,155	6,966
Lorry Services				92,992	29,000
				<b>226,547</b>	<b>228,266</b>
<b>Remuneration of Councillors</b>			<b>10</b>	<b>2019-20</b>	<b>2018-19</b>
				<b>MUR</b>	<b>MUR</b>
Allowance to Chairman & members of Boards & Committees				17,575,319	17,319,973
				<b>17,575,319</b>	<b>17,319,973</b>
				<b>17,575,319</b>	<b>17,319,973</b>

<b>NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020</b>						
<b>Compensation Of Employees</b>			<b>11</b>	<b>2019-20</b>		<b>2018-19</b>
				<b>MUR</b>		<b>MUR</b>
Basic Salary				98,506,660		99,592,950
Extra Remuneration				6,252,815		4,544,574
Allowances				9,060,158		6,172,685
Cash In Lieu of sick Leave				5,106,935		5,672,585
End of year Bonus				9,160,882		9,043,975
Travelling and Transport				10,259,096		11,565,012
Overtime				9,127,004		6,652,406
Staff Welfare & Training				265,611		
Staff Welfare Sports & Leisure						157,370
Contribution to the National Savings Fund and National Pension Fund				2,550,003		2,478,004
Contribution to Family Protection Scheme				1,971,795		1,706,514
Contribution to Pension fund				11,823,907		12,047,946
Passage Benefit				2,655,914		4,247,787
Gratuities & Pensions				14,297,192		17,574,503
				<b>181,037,973</b>		<b>181,456,311</b>
<b>Related Party transactions</b>						
All transactions between related party at the level of the District Council of Grand Port should be disclosed under IPSAS 20.						
Therefore compensation of keys management personels include the Chief executive, Councillors and executive management team. It is the amount recognised in the performance statement Keys managements do not received any remunerations or compensation other than in their capacity as key magement personel IPSAS 20(34)(b)(i).						
				<b>2019-20</b>		
	<b>No</b>			<b>MUR</b>		
Councillors	<b>26</b>			16,661,879		
Chairman	<b>1</b>			643,320		
Deputy Chairman	<b>1</b>			270,120		
Chief Executive	<b>1</b>			1,221,120		
Deputy Chief Executive	<b>1</b>			889,620		
Financl Controller	<b>1</b>			831,720		
Civil Engineer	<b>1</b>			429,810		
Chief Health Inspector	<b>1</b>			820,020		
Head Land Use Planning	<b>1</b>			935,220		
Principal Welfare Officer	<b>1</b>			566,070		
				<b>23,268,899</b>		
<b>Supplies and consumables</b>			<b>12</b>	<b>2019-20</b>		<b>2018-19</b>
				<b>MUR</b>		<b>MUR</b>
Utilities Cost			<b>12.1</b>	25,602,011		26,480,916
Motor Vehicle Expenses			<b>12.2</b>	6,937,039		7,289,924
Repairs And Maintenance			<b>12.3</b>	14,408,273		11,308,730
Cleaning and Security Services and other related costs			<b>12.4</b>	41,847,488		37,998,131
Hosting of events running costs			<b>12.5</b>	1,618,175		1,323,049
				<b>90,412,986</b>		<b>84,400,749</b>

<b>NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020</b>						
<b>Utilities Cost</b>			<b>12.1</b>	<b>2019-20</b>		<b>2018-19</b>
				<b>MUR</b>		<b>MUR</b>
Electricity and Gas charges				23,652,438		24,759,998
Telephone Charges				1,031,692		787,605
Water Charges				917,881		933,313
				<b>25,602,011</b>		<b>26,480,916</b>
<b>Motor Vehicle Expenses</b>			<b>12.2</b>	<b>2019-20</b>		<b>2018-19</b>
				<b>MUR</b>		<b>MUR</b>
Fuel & Oil				3,772,003		4,507,648
Repairs and Maintenance				2,884,742		2,782,276
Insurance				280,294		
Road Tax						
				<b>6,937,039</b>		<b>7,289,924</b>
<b>Repairs And Maintenance</b>			<b>12.3</b>	<b>2019-20</b>		<b>2018-19</b>
				<b>MUR</b>		<b>MUR</b>
Maintenance of Grounds				48,286		311,617
Maintenance of Rivers,Canals and Drains				1,563,769		314,641
Maintenance of Street Lighting				589,208		1,497,764
Maintenance of Road				9,050,247		6,890,720
Maintenance of Buildings				625,424		1,125,240
Maintenance of Other structures- Plant and Machinery				1,416,952		521,202
Maintenance of Cemeteries/Cremation				244,275		647,547
Materials				870,112		
				<b>14,408,273</b>		<b>11,308,730</b>
<b>Cleaning and Security Services and other related costs</b>			<b>12.4</b>	<b>2019-20</b>		<b>2018-19</b>
				<b>MUR</b>		<b>MUR</b>
Contracted Scavenging Services				40,847,884		37,959,946
Environment				999,605		38,185
				<b>41,847,488</b>		<b>37,998,131</b>
<b>Hosting of events running costs</b>			<b>12.5</b>	<b>2019-20</b>		<b>2018-19</b>
				<b>MUR</b>		<b>MUR</b>
National Day Celebration				207,797		
Cultural Activities				210,587		297,530
Religious & National Festivals				534,417		525,242
Sports Activities				603,254		500,277
Educational Activities				62,120		83,037
				<b>1,618,175</b>		<b>1,323,049</b>
<b>Professional and Legal Fees</b>			<b>13</b>	<b>2019-20</b>		<b>2018-19</b>
				<b>MUR</b>		<b>MUR</b>
Legal & Professional Fees				642,606		860,785
Inspection and Audit Fees				300,000		500,000
				<b>942,606</b>		<b>1,360,785</b>
There is only one case pending where claims are against the Council ,viz Collet v/s District Council of Grand Port						

<b>NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020</b>					
<b>Grants And Subsidies</b>		<b>14</b>	<b>2019-20</b>		<b>2018-19</b>
			<b>MUR</b>		<b>MUR</b>
Other Grants			-		639,837
Sports Regionalisation			91,000		298,380
Grants to Social and Religious organisations			78,800		76,057
Donation to Distress Cases & Poverty Alleviation			35,357		86,664
Grants to Village Council		<b>14.1</b>	<b>4,537,530</b>		<b>4,280,030</b>
			<b>4,742,687</b>		<b>5,380,968</b>
<b><u>Village Councils</u></b>		<b>14.1</b>	<b>2019-20</b>		<b>2018-19</b>
16 eme Mille			207,620		219,634
Bambous Virieux			142,500		149,204
Bananes			222,378		149,204
Beau Vallon			149,104		234,324
Bois des Amourettes			170,680		149,916
Camp Carol			129,733		101,453
Cluny			227,888		150,254
Grand Bel Air			144,869		303,089
Grand Sable			175,500		156,632
Mahebourg			189,499		167,219
Mare D'Albert			224,344		236,064
Mare Tabac			247,610		214,799
Midlands			220,100		226,848
New Grove			289,556		90,497
Nouvelle France			257,500		184,144
Old Grand Port			211,086		236,508
Petit Bel Air			144,075		160,795
Plaine Magnien			192,658		187,578
Quatre Soeurs			160,278		160,278
Riviere des Creoles			136,762		153,482
Rose Belle			187,680		125,681
St Hubert			140,324		136,044
Trois Boutiques			153,687		153,687
Union Park			212,100		232,699
			<b>4,537,530</b>		<b>4,280,030</b>
<b>Depreciation/Amortisation</b>		<b>15</b>	<b>2019-20</b>		<b>2018-19</b>
			<b>MUR</b>		
<b>Depreciation</b>					
Freehold Land					
Leasehold Land					
Building			8,449,367		
Public Infrastructure			29,379,773		
Vehicles			3,256,328		
Machinery & Equipment			2,135,867		37,600,679
Furniture, Fittings and Fixtures			128,102		
Computer & IT Equipment			320,881		
Software					
			<b>43,670,318</b>		<b>37,600,679</b>

<b>NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020</b>						
<b>Other Expenses</b>			<b>16</b>	<b>2019-20</b>		<b>2018-19</b>
				<b>MUR</b>		<b>MUR</b>
Postage				302,501		434,937
Office Sundries/office expenses				141,039		113,780
Printing and Stationery				757,912		964,275
Books and Periodicals				70,820		71,426
Overseas Travel				133,067		54,280
Public Notices				124,504		226,825
Entertainment				161,400		199,652
Subscriptions				200,000		159,695
General Insurance				487,380		784,836
Committee Expenses				83,418		121,448
Maintenance of IT Equipment				1,835,597		2,425,720
Repairs /Renewal of Furniture and Fittings				40,910		28,477
Maintenance Equipments				<b>424,346</b>		519,151
Bank Charges				74,176		159,514
Twinning Activities				45,055		63,952
Rent of Building				97,000		125,380
Provisions				-		2,694,380
Passages				1,618,840		2,950,000
Sick				1,193,078		5,928,030
Vacation				4,174,979		600,000
Issues				-		2,135,732
				<b>11,966,023</b>		<b>20,761,490</b>
<b>Cash and Cash Equivalents</b>			<b>17</b>	<b>2019-20</b>		<b>2018-19</b>
				<b>MUR</b>		<b>MUR</b>
<u>State Bank of Mauritius Current Account</u>						
Account : 54473				8,133,074		4,855,644
Account :55652				5,496		5,496
Account :51295				(13,609,222)		(25,726,443)
State Bank of Mauritius Savings Account :152				96,424,753		81,647,694
Mascareignes				-		191,710
Cash In Hand				3,000		3,000
				<b>90,957,101</b>		<b>60,977,101</b>
<b>ables From Exchange Transactions</b>			<b>18</b>	<b>2019-20</b>		<b>2018-19</b>
				<b>MUR</b>		<b>MUR</b>
Markets				19,687,451		30,235,050
Bus Toll				5,053,966		4,040,791
Advertisement				694,079		147,230
Trade fees				24,725,660		23,249,825
Interest fixed deposit				245,878		-
Other Debtors				-		858,920
				<b>50,407,034</b>		<b>58,531,816</b>

<b>NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020</b>				
<b>Receivables From Non-Exchange Transaction</b>		<b>19</b>	<b>2019-20</b>	
Opening Car loan as at 1 July 2019			6,488,428	
Prior Year Adjustment			(1,443,600)	
Loan granted			2,771,245	
Refund of loan			(2,540,614)	
			<b>5,275,459</b>	
			<b>MUR</b>	<b>MUR</b>
Less than One Year			1,495,437	367,673
> One Year			3,780,021	6,120,755
			<b>5,275,459</b>	<b>6,488,428</b>
<b>Loan &amp; Advances</b>		<b>20</b>	<b>2019-20</b>	<b>2018-19</b>
Absences			<b>1,981</b>	-
<b>Inventories</b>		<b>21</b>	<b>2019-20</b>	<b>2018-19</b>
			<b>MUR</b>	<b>MUR</b>
Stock as at 30.06.2020			2,132,295	4,056,198
			<b>2,132,295</b>	<b>4,056,198</b>
<b>Current Investments</b>		<b>22</b>	<b>2019-20</b>	<b>2018-19</b>
			<b>MUR</b>	<b>MUR</b>
<b>Investments -</b>				
<u>Treasury Bills</u>				
SBM Bank (Mtius) Ltd-Maturity Oct 2020			14,645,100	
SBM Bank (Mtius) Ltd - Maturity Jan 2021			42,557,023	
SBM Bank (Mtius) Ltd				56,281,362
			<b>57,202,123</b>	<b>56,281,362</b>
<b>Work in Progress</b>		<b>23</b>	<b>2019-20</b>	<b>2018-19</b>
			<b>MUR</b>	<b>MUR</b>
Setting up of incinerator @ Tombeau, Mahebourg			2,572,492	
Construction of Village Hall				2,019,450
			<b>2,572,492</b>	<b>2,019,450</b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2019**

**Property ,Plant and Equipment**

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	Land	Buildings	Public Infrastructure	Vehicles	Machinery & Equipment	Furniture, Fittings and Fixtures	OTHER MACHINERY & EQUIPMENT	TOTAL
Cost	MUR	MUR	MUR	MUR	MUR	MUR	MUR	
<b>At 01 July 2019</b>	226,641,945	308,394,715	565,011,929	28,791,836	-	358,762	25,205,605	1,154,404,792
Transfer from WIP		2,019,450						2,019,450
Land derecognised	(226,641,945)							(226,641,945)
Land recognised	28,354,678							28,354,678
Additions		5,557,933	56,159,612		-	477,800	3,833,190	66,028,535
Disposals								-
<b>At 30 June 2020</b>	<b>28,354,678</b>	<b>315,972,098</b>	<b>621,171,541</b>	<b>28,791,836</b>	<b>-</b>	<b>836,562</b>	<b>29,038,795</b>	<b>1,024,165,510</b>
								-
<b>Depreciation and Impairment</b>								-
<b>At 01 July 2019</b>	-	107,265,957	268,099,012	23,587,509		60,800	10,350,530	409,363,808
Depreciation for the year		8,449,367	29,379,773	3,256,328		128,102	2,456,749	43,670,318
Disposal								-
Impairments								-
Transfer/Adjustments								-
<b>At 30 June 2020</b>	<b>-</b>	<b>115,715,324</b>	<b>297,478,785</b>	<b>26,843,837</b>	<b>-</b>	<b>188,902</b>	<b>12,807,279</b>	<b>453,034,126</b>
								-
<b>Net Book Value</b>								-
<b>At 30 June 2020</b>	<b>28,354,678</b>	<b>200,256,774</b>	<b>323,692,756</b>	<b>1,947,999</b>	<b>-</b>	<b>647,660</b>	<b>16,231,516</b>	<b>571,131,384</b>
<b>At 01 July 2019</b>	<b>226,641,945</b>	<b>201,128,758</b>	<b>296,912,917</b>	<b>5,204,327</b>	<b>-</b>	<b>297,962</b>	<b>14,855,075</b>	<b>745,040,984</b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020**

<b>Payables From Exchange transactions</b>		<b>25</b>	<b>2019-20</b>		<b>2018-19</b>
			<b>MUR</b>		<b>MUR</b>
Creditors-Suppliers			18,088,796		15,808,897
Creditors Capital Retention Money			5,761,154		
Creditors car loan			5,768		-
			<b>23,855,718</b>		<b>15,808,897</b>
Trade Payables are non-interest bearing are are normally settled within three or four weeks or depending upon the term of contractual agreement.					
<b>Deposits</b>		<b>26</b>	<b>2019-20</b>		<b>2018-19</b>
			<b>MUR</b>		<b>MUR</b>
Deposits as at 1 July 2019			22,791,238		
Refunds			4,927,087		
Deposits received					
Trade fees(from CBRD)			2,526,750		
Deposit from CEB Fee			55,500		
Deposit from CWA Fee			90,850		
Deposit from WMA fee			22,500		22,791,238
Excavation			386,535		
Rental Village Hall			1,302,025		
Deposit Markets			304,300		
Deposit payroll			52,398		
Deposit Sundries			196,108		
			<b>22,801,116</b>		<b>22,791,238</b>
<b>Provisions</b>		<b>27</b>	<b>2019-20</b>		<b>2018-19</b>
			<b>MUR</b>		<b>MUR</b>
<b>Opening on 01 July</b>			31,194,371		31,194,371
Payments during the year					
Charge for the year			-		
<b>Closing on 30 June</b>			<b>31,194,371</b>		<b>31,194,371</b>
<b>Employee Benefit Obligations</b>		<b>28</b>	<b>2019-20</b>		<b>2018-19</b>
			<b>MUR</b>		<b>MUR</b>
Current Employment Benefits Obligations		<b>28.1</b>	10,284,449		9,478,030
Non-current Employee Benefit Obligations		<b>28.2</b>	76,327,587		70,147,109
			<b>86,612,036</b>		<b>79,625,139</b>
<b>Current Employment Benefits Obligations</b>		<b>28.1</b>	<b>2019-20</b>		<b>2018-19</b>
			<b>MUR</b>		<b>MUR</b>
Sick Leaves			5,937,628		5,928,030
Vacation Leaves			1,246,822		600,000
Passage Benefits			3,100,000		2,950,000
Pensions					
			<b>10,284,449</b>		<b>9,478,030</b>
<b>Non-current Employee Benefit Obligations</b>		<b>28.2</b>	<b>2019-20</b>		<b>2018-19</b>
			<b>MUR</b>		<b>MUR</b>
Sick Leaves			34,112,410		32,928,929
Vacation Leaves			35,946,946		32,418,779
Passage Benefits			6,268,231		4,799,391
Pensions					-
			<b>76,327,587</b>		<b>70,147,099</b>

<b>NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020</b>					
<b>IPSAS 39 For year ending 30 June 2020</b>			<b>29</b>		
			<b>Year ending 30 June 2020</b>		<b>Year ending 30 June 2018</b>
			Rs		Rs
<b>Amounts recognised in balance sheet at end of period:</b>					
Defined benefit obligation			488,122,736		367,687,527
Fair value of plan assets			-182,186,824		-157,417,850
Liability recognised in balance sheet at end of period			<b>305,935,912</b>		<b>210,269,677</b>
<b>Amounts recognised in income statement:</b>					
Service cost:					
Current service cost			14,064,714		10,510,421
Past service cost (Employee contributions)			-5,297,490		-4,931,969
Fund Expenses			292,872		380,671
Net Interest expense/(income)			7,350,200		15,283,110
P&L Charge			16,410,296		
<b>Remeasurement</b>					
Liability (gain)/loss			109,813,907		-27,040,037
Assets (gain)/loss			-6,687,505		1,893,981
Net Assets/Equity (NAE)			103,126,402		-25,146,056
<b>Total</b>			<b>119,536,698</b>		<b>-3,903,283</b>
<b>Movements in liability recognised in balance sheet:</b>					
At start of year			210,269,677		235,721,722
Amount recognised in P&L			16,410,296		21,242,233
(Actuarial reserves transferred in)			0		0
(Employer Contributions )			-10,596,238		-11,686,132
(Direct Benefits paid by Employer)			-13,274,225		-9,862,090
Amount recognised in NAE			103,126,402		-251,460,56
At end of period			<b>305,935,912</b>		<b>210,269,677</b>
The plan is a defined benefit arrangement for the employees and it is only funded for pensionable service as from 01 July 2008. The assets of the funded plan are held and administered independently by The State Insurance Company of Mauritius Ltd.					
			<b>Year ending 30 June 2020</b>		<b>Year ending 30 June 2019</b>
			Rs		Rs
<b>Reconciliation of the present value of defined benefit obligation</b>					
Present value of obligation at start of period			367,687,527		374,350,973
Current service cost			14,064,714		10,510,421
Interest cost			13,236,751		24,856,904
(Benefits paid)			-16,680,163		-14,990,734
Liability (gain)/loss			109,813,907		-27,040,037
Present value of obligation at end of period			<b>488,122,736</b>		<b>367,687,527</b>
<b>Reconciliation of fair value of plan assets</b>					
Fair value of plan assets at start of period			157,417,850		138,629,251
Expected return on plan assets			5,886,551		9,573,794
Employer contributions			10,596,238		9,862,090
Employee Contributions			5,297,490		4,931,969
(Benefits paid + other outgo)			-3,698,810		-3,685,273
Asset gain/(loss)			6,687,505		-1,893,981
Fair value of plan assets at end of period			<b>182,186,824</b>		<b>157,417,850</b>

<b>NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020</b>				
<b>Distribution of plan assets at end of period</b>				
Percentage of assets at end of period			<b>June 2020</b>	<b>June 2019</b>
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%
<b>Additional disclosure on assets issued or used by the reporting entity</b>				
Percentage of assets at end of year			<b>June 20(%)</b>	<b>June 19(%)</b>
Assets held in the entity's own financial instruments			0	0
Property occupied by the entity			0	0
Other assets used by the entity			0	0
<b>Components of the amount recognised in NAE</b>				
Year			<b>June 2020</b>	<b>June 2019</b>
Currency			Rs	Rs
Asset experience gain/(loss) during the period			6,687,505	-1,893,981
Liability experience gain/(loss) during the period			-109,813,907	27,040,037
			<b>-103,126,402</b>	<b>25,146,056</b>
			<b>2020/2021</b>	
Year			10,240,414	
Expected employer contributions (Estimate to be reviewed by The District Council of Grand Port)			14 years	
Weighted average duration of the defined benefit obligation (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, mortality risk, longevity risk and salary risk.				
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:				
			<b>Year ending 30 June 2020</b>	<b>Year ending 30 June 2019</b>
Discount rate			3.60%	6.64%
Future salary increases			2.40%	4.00%
Future pension increases			1.40%	3.00%
Mortality before retirement			A 6770 Ultimate Tables	
Mortality in retirement			PA (90) Tables	
Retirement age			65 Years	
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 61.2M (increase by Rs 76.4M) if all other assumptions were held unchanged.				

<b>NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2020</b>			
If the expected salary growth would increase (decrease) by 1%, the defined benefit obligation would increase by Rs 32.5M (decrease by Rs 28.0M) if all assumptions were held unchanged.			
If life expectancy would increase (decrease) by one year, the defined benefit obligation would increase by Rs 16.0M (decrease by Rs 16.1M) 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.			

## 14.0 Areas covered by Internal Auditor

		No of Report Issued
1	<b>EXPENDITURE CYCLE</b>	
	Budgetary Control - Water Consumption	12
2	<b>CAPITAL PROJECTS</b>	
	Site Inspections Report	17
3	<b>REVIEW OF INTERNAL CONTROL SYSTEMS</b>	
	Dc Cash Office	2
	Street Lighting	1
	Fees generated by Cemeteries and Incinerators	2
4	<b>PHYSICAL ASSET MANAGEMENT</b>	
	Inventory of office equipment	1
5	<b>SPECIAL ASSIGNMENT</b>	
	Investigation into anonymous complaint against employees	1
	<b>TOTAL</b>	<b>36</b>

Approved by Council on 17 May 2021