



MUNICIPAL COUNCIL OF QUATRE BORNES



Annual Report
for Financial Year
2019-2020

25 February 2021

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1.0 AG CHIEF EXECUTIVE'S STATEMENT



Pursuant to section 142 of the Local Government Act 2019 as subsequently amended, I feel very privileged to submit the report covering period 01 July 2019 to 30 June 2020 and the unaudited accounts for the same period.

The Annual Report outlines our overall financial position and performance and major activities of the Council for financial year 2019/2020.

I wish to point out that March 2020 – June 2020 were marked by the Covid-19 pandemic and lockdown which affected our ability to maintain our service level, activities, etc and also causing loss of revenue.

I would like to put on record that the Municipal Council of Quatre Bornes has been able to fulfill its duties as laid down in the Local Government Act as duly amended and other legislations.

I seize this opportunity to thank the Mayor, Deputy Mayor and Councillors and my staff for their unflinching support for ensuring the smooth running of the Council during normal hours and the Covid-19 crisis.

Toolambah NARSINGHEN (Mrs)
Ag Chief Executive

2.0 MAYOR'S STATEMENT



As Mayor of the town of Quatre Bornes, I am pleased to submit the Annual report for the year 2019/2020 which highlights the major achievements, activities and financial situation of the Council.

The Council has put a lot of emphasis on our athletes and sport activities as we believe in the idea that if you want a strong country you need strong people and what better way to empower our youth, than to allow them to drive our society with discipline and good social ethic.

This Council also recognize the hard times ahead due to the COVID-19. Our objectives will remain the same and our determination to provide a better service as efficiently as possible will be our number one priority.

The main objective was to ensure that the basic necessities of the citizens of Quatre Bornes are met within the shortest time period possible.

With the Implementation of National Disaster Risk Reduction and Management Act 2016, the Mayor of Municipal Council of Quatre Bornes had chaired various meetings of the Local Emergency Operation Command during flash floods, torrential rains and cyclones. The employees of the Council had intervened in various location of the town where emergency services were required.

The Council offers a Library Service to the citizens of the Town and the public at large. Large variety of books, reference books and periodical are made available to the public. Moreover, several activities are also organized during school holidays by the Municipal Library.

The Council offers Refuse Collection Services and Town Cleansing within its jurisdiction. Some 23000 residential premises and about 5838 economic operators are being serviced regularly. It consists of collection of household refuse on a weekly basis and commercial refuse on a daily basis.

The Council had attended various projects to the tune of Rs 79,922,986.81 during the Financial Year 2019-2020.

The Council received 777 applications for Building and Land Use Permits among which 476 permits were issued.

The Council fulfilled its role as an urban authority by attending to the request of its citizens be it infrastructural, social, cultural, Environmental, Youth and Sports. Despite its Budgetary Constraints, the Council attended its obligation with pride during the year 2019/2020.

Nagen MOOTOOSAMY
Mayor

3.0 INTRODUCTION

The town of Quatre Bornes was created by an Ordinance passed in 1895 but coming into force in 1896. From the time of its creation till 1950, it was governed by a fully nominated Board of Commissioners, consisting of a Chairman and 5 members.

The Town Council Ordinance 1950 democratised the institution of Board by incorporating a provision by which members were to be elected. However, it remained a system of nomination with 3 nominated members and 7 elected members.

The Local Government Ordinance of 1962 required that each of the towns including Quatre Bornes would have 12 elected and 4 nominated members. In 1968, when Mauritius became independent, the Town Council became a Municipality and since then all Councillors have to be elected.

With the amendments brought to the Local Government Act 2011, the Municipal Council of Quatre Bornes is now made up of 20 Councillors (5 wards each electing 4 members).

The town of Quatre Bornes also known "*La ville des fleurs*" (The City of Flowers), extends over an area of about 2,122 Ha and it is served by an urban road network of approximately 300 Kilometres which is being extended each year.

Situated in the central part of Mauritius, Quatre Bornes is easily accessible from the western part southern and Northern part of the island and recently from the eastern part with the construction of the extension of the Verdun - Trianon link Road.

Urban development itself started in the late 1960s when the Trianon Sugar Estate, sold its land properties, and attracted a new social class, nowadays known as the Morcellement St-Jean.

The town is in a period of rapid development and consists of residential development and commercial development. Commercial and office spaces are very prominent in the area of the cyber city in Ebene.

Quatre Bornes consists of the 'Old Quatre Bornes' on the one hand which comprise regions like Belle-Rose, Telfair, Drapers, D'Epinay and on the other hand new Quatre Bornes which started its development in the 1980s in the region of Sodnac. The region of Ebene with the Cybercity also form part of Quatre Bornes.

3.1 HISTORICAL DEVELOPMENT OF THE TOWN

The Town of Quatre Bornes, - 'La Ville des Fleurs' has its history dating to more than two centuries:

- In 1740, during French colonisation, the cartography of Pierre Guyomar indicated the 'quartiers Des Plaines-Wilhems', which depicted Quatre Bornes as a forest region that was being colonised.
- In 1764, Joseph Francois Charpentier de Cossigny settled in a region that he named Palma, and in the same period the Governor Antoine Desforges Boucher settled in a region, which he named Bassin.
- Around 1768-70, the novelist Bernardin de St. Pierre, was inspired to write 'Paul et Virginie', in which mention is made of the Trois Mammelles Mountain, the 'watercress' plants near a river (namely the Rempart River).
- In 1850: construction of the St-Jean Church
- With the introduction of the railway line in 1864, the region of Plaines-Wilhems developed rapidly with the migration of people living in coastal regions to the Plaines Wilhems.
- In 1870s the cartographer Descubes mentioned the name of Quatre Bornes for the first time on a map.
- In 1890, Quatre Bornes was declared village by proclamation No.49, with effect as from 1877
- In 1895, the Ordinance Act 32 stated that the Board of Commissioners would consist of 6 members. Honourable Sir William Newton K.C. became the first president in 1896. Quatre Bornes was proclaimed Town under a proclamation of the Governor p.i Charles Anthony King Harman, C.M.G.
- In 1904 was founded the Convent of Quatre Bornes, which was to become the Loreto convent of Quatre Bornes, secondary institution for girls.
- In 1941, the Quatre Bornes Market was built.

- In 1954 the Council took the decision to build the 'Cite Beau-Sejour and 'Cite Pere Laval'
- The 1960's, saw the development of the Morcellement St Jean
- In 1964 the new Town Hall building was inaugurated
- In 1967, the region of Bassin and Palma were annexed to form part of the town by Proclamation No.2, Government Notices, 1967.
- In the mid-1980s Quatre Bornes developed at a rapid pace, with the construction of the George Town Commercial Complex, the Orchard Complex, Candos Commercial Complex, which provided shopping facilities, supermarket, cinema, drug stores etc.
- 1980s - 1990s saw the development of Sodnac region. Sodnac situated on the opposite of Candos Hill was so named in the opposite way of Candos
- 9th May 1984: Mr F. Canabady, the then Mayor inaugurated the crossroad at Palma constructed on a plot of land donated to the Municipality by the Jugnauth family.
- In 1987, the region of La source was annexed to the town of Quatre Bornes.
- Other commercial complexes were constructed in the 1990's such as Discovery House, Newry Complex, Orbis Court, France Centre, Bushwell Centre, Flora Park, Middle town Shopping Centre.
- There are several major developments in the region of Trianon, Ebene Cybercity, St. Jean and Tulipes Avenue in Sodnac.

3.2 HOW THE TOWN WAS ATTRIBUTED THE NAME OF QUATRE BORNES

FOUR HYPOTHESES TO EXPLAIN THE NAME OF QUATRE BORNES

- ❑ According to a map prepared by Descubes in 1880, Quatre Bornes has been attributed its name, upon the four boundary stones (Bornes) which delimited the land properties of Palma, Bassin, Trianon and Beau-Sejour. It is this hypothesis which is the most plausible one.
- ❑ Another hypothesis was instituted by a Mauritian Historian, who said that four boundary stones (Bornes) delimited the three districts, namely Plaines Wilhems, Moka and Riviere Noire.
- ❑ In November 1761, two land owners namely Mr. Mabile and Mr. Desveaux were having land problems and this case was ultimately known as 'Le cas des Quatre Bornes'.

As W. Edward Hart explained in 1921, four boundary stones used to delimit the intersection between the roads crossing Vacoas and Bassin/Palma and La Louise and of the Balisage separating the land property of La Louise and Beau Sèjour

- ❑ Quatre Bornes has been named so, in relation to a 'commune' in France.

3.3 URBS FLORIDA-THE COAT OF ARM



In 1955 Mr. R. Hein wrote the motto '**URBS Florida**' which means **Quatre Bornes 'LA VILLE DES FLEURS'**. In the same year Mr. Max Boule drew the arms of the town at the request of the Board. The arms consisted of the four 'Bornes' and of three flowers.

In 1964, the Municipal Council of Quatre Bornes willing to pay tribute to Mr. De Candos who gave his name to a hill, a hospital, a road slope (montée Candos), a stadium, and a housing state, decided that the Lys Flower which decorated his arms be represented on the coat of arms of the Town of Quatre Bornes.

3.4 MISSION, VISION AND VALUE STATEMENT

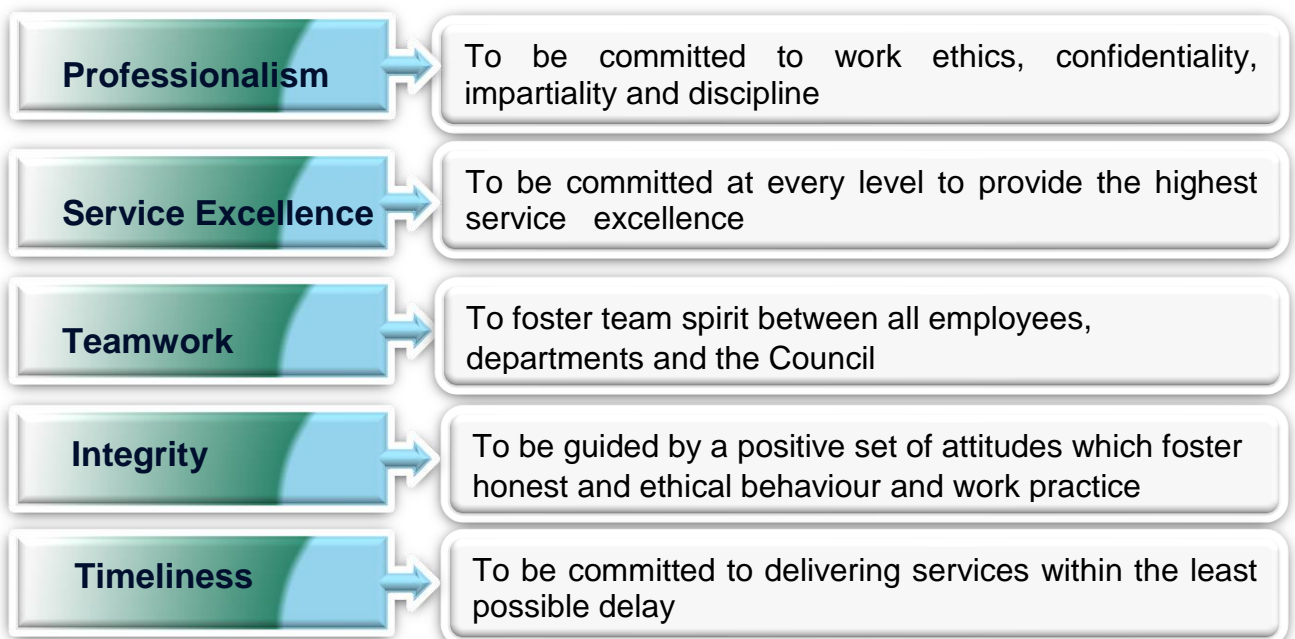
1. OUR MISSION

To ensure a timely and quality service delivery to all stakeholders and to improve the quality of life of the citizens of the town.

2. OUR VISION

To be a living model in partnership and networking with its stakeholders for the highest standards of excellence and an unrivalled quality of life.

3. OUR CORE VALUES



4. OUR COMMITMENT

To continuously maintain a high standard of service and to be proactive in providing facilities and improve the quality of public services offered and ensure that such services respond to the needs and wishes of the citizens.

4.0 ABOUT THE MUNICIPAL COUNCIL OF QUATRE BORNES

Location	: Saint Jean Road, Quatre Bornes
Web Site	: http://www.qb.mu
Email	: mcqb@intnet.mu
Fax	:4540066
Tel	:4548054
Customer Care Centre/Hotline	 454 9662- 9.00hrs to 16.00 hrs 5448 1929- 24hrs service(Hotline)

4.1 TWINNING

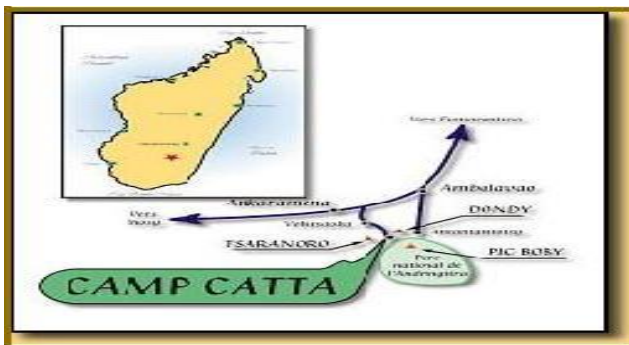
The Town of Quatre Bornes is twinned with the

1. “Communes de St Benoit” of Reunion Island (since 03 August of 1988)



Commune de St Benoit: shaded yellow

2. “Communes de Ambalavao” in Madagascar (1994)



Commune de Ambalavao- Red Star

3. “City of Daqing”, Heilongjiang province, China (since 31 May 2008)



City of Daqing in red

5.0 ROLES AND FUNCTIONS OF COMMITTEES

5.1 COUNCIL MEMBERSHIP

Mayor, Deputy Mayor and Councillors

The Municipal Council of Quatre Bornes was composed of 20 elected members from 5 wards. The Mayor and Deputy Mayor were elected by the Council to serve for a period of two years.

1.	Mr MOOTOOSAMY Nagen	MAYOR
2.	Mr RAMLUCKHUN Dooshiant	DEPUTY MAYOR
3.	Mrs AYACANOU Morganangi	COUNCILLOR
4.	Mr BUKHORY Ashvin	COUNCILLOR
5.	Mr CANNOOSAMY PILLAY Roobakrishnen	COUNCILLOR
6.	Mrs GEERJANAN Premila	COUNCILLOR
7.	Mr GOOMANY Ziyad Mohammed	COUNCILLOR
8.	Mr GOPALOODOO Vishnoo	COUNCILLOR
9.	Mr ISRAM Rajendra	COUNCILLOR
10.	Mrs JEPAUL-RADDHOA Soolekha	COUNCILLOR
11.	Mrs KOENIG Arline	COUNCILLOR
12.	Mr OCHIT Kevin	COUNCILLOR
13.	Mr RAMANJOOLOO Ballakisnah	COUNCILLOR
14.	Mrs SEVATHIANE-DANSANT Marie Claire Myrella	COUNCILLOR
15.	Mr SALMINE Eric Louis	COUNCILLOR
16.	Ms SALMINE Marie Joannie Annick Tania	COUNCILLOR
17.	Mr SONOO Atmaram	COUNCILLOR
18.	Mr SOOKUN Siam	COUNCILLOR
19.	Mrs SOUNDUR Usha Koontee Devi	COUNCILLOR
20.	Mr TROYLUKHO Guy Emmanuel	COUNCILLOR

5.2 ADMINISTRATIVE TEAM	
ADMINISTRATION DEPARTMENT	<p>CHIEF EXECUTIVE Mrs T. D. Ramkissoon Mungoosing from 03 June 2019 to 06 October 2019</p> <p>Mrs. S. Coonjun-Jugroop – 7 Oct 2019-16 Feb 2020</p>
	<p>AG. CHIEF EXECUTIVE Mrs Toolambah NARSINGHEN from 17 February 2020 to date</p>
	<p>ASSISTANT CHIEF EXECUTIVE Mrs Shamanta DOMUN-FAGOONEE Up to 7 October 2019 Mrs Devi JANKEE as from 18 June 2019 to 02 March 2020 Mr Rajcoomar SEENAUTH Mr Indulal LUCHAN (4 Nov 2019 to date)</p>
FINANCE DEPARTMENT	<p>FINANCIAL CONTROLLER Mr Sanjay VEERASAMY</p>
PUBLIC INFRASTRUCTURE DEPARTMENT	<p>HEAD PUBLIC INFRASTRUCTURE DEPARTMENT Mr Deepnarain SEEBALUCK from 27 July 2019 to 02 March 2020 Ag HEAD PUBLIC INFRASTRUCTURE DEPARTMENT Mr Puran Dev PATTOO (from 2 March 2020 for 3 months and from 2 June 2020 for a period of 3 months)</p>
PUBLIC HEALTH DEPARTMENT	<p>CHIEF HEALTH INSPECTOR Mr Irayah ERIGADOO</p> <p>PRINCIPAL HEALTH INSPECTOR Mr Michel SONEEA</p>
LAND USE AND PLANNING DEPARTMENT	<p>HEAD LAND USE AND PLANNING DEPARTMENT Mr Mohammad Al-Ilshaad SUBRATTY</p> <p>PLANNING AND DEVELOPMENT OFFICER Mr M.Arshad Moolye</p>
WELFARE DEPARTMENT	<p>CHIEF WELFARE OFFICER Mrs Roopmanee SUMBOO</p> <p>PRINCIPAL WELFARE OFFICER Mrs Goonwantee SEWPAL up to 22 June 2020</p> <p>Mrs Gowreedevi ETTOO as from 22 June 2020</p>

5.3 SETTING UP OF COMMITTEES

COMMITTEES

- ➔ COUNCIL MEETING
- ➔ EXECUTIVE COMMITTEE
- ➔ PROCUREMENT COMMITTEE
- ➔ PUBLIC INFRASTRUCTURE COMMITTEE
- ➔ PUBLIC HEALTH COMMITTEE
- ➔ WELFARE COMMITTEE
- ➔ PERMITS AND BUSINESS MONITORING COMMITTEE
- ➔ ETHICS COMMITTEE

5.3.1 COUNCIL MEETING

Chairperson: Her Worship the Mayor

Vice Chairperson: The Deputy Mayor

The Municipal Council is made up of 20 elected Councillors from five different wards of the Town. The Council is the policy making body of the Municipality. As required under Section 45 of the Local Government Act 2011 as subsequently amended in 2015 the Council meets as often as the business may require and at least once every month in the Council Chamber for the formulation of policies and examination of all matters pertaining to the administration of the Town.

5.3.2 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.

For period 01 July 2019 to 30 June 2020, the Executive Committee met for 29 sittings.

Every decision taken is reported at the next Council Meeting as stipulated in the Local Government Act.

5.3.2.1 MEMBERS OF THE EXECUTIVE COMMITTEE

Period 01 July 2019 –30 June 2020

- His Worship the Mayor Mr Nagen **MOOTOOSAMY**, Chairperson
- Mr Dooshiant **RAMLUCKHUN**, Deputy Mayor
- Councillor Mrs Morganangi **AYACANOU**
- Councillor Mr Vishnoo **GOPALOODOO**
- Councillor Mr Rajendra **ISRAM**
- Councillor Mrs Soolekha **JEPAUL- RADDHOA**
- Councillor Mrs Usha Koontee Devi **SOUNDUR**

5.5.3 PERMITS AND BUSINESS MONITORING COMMITTEE

As per Section 115 of the Local Government Act 2011 as duly amended by the Finance (Miscellaneous Provision Act 2016 [Act No. 18 of 2016] has reviewed the constitution of the Permits and Business

Monitoring Committee to determine applications for Building and Land Use Permits and the Committee is constituted as follows:

- (a) The Mayor or Deputy Mayor as Chairperson
- (b) Four Councillors:
 - i. Councillor Mrs Premila Geerjanan
 - ii. Councillor Mr Atmaram SONOO
 - iii. Councillor Mr Siam Sookun
 - iv. Councillor Mr Guy Emmanuel TROYLUKHO
- (c) Chief Executive
- (d) Head Land Use and Planning Department
- (e) Head Public Infrastructure Department
- (f) Chief Health Inspector

As per the Local Government Act, the Permits and Business Monitoring Committee plays a vital role for it has the responsibility of processing applications. For Building Land Use Permit for period 01 July 2019 to 30 June 2020 the Permits and Business Monitoring Committee has issued **476** permits.

5.3.4 PROCUREMENT COMMITTEE

According to section 160 of the Local Government Act 2011 the procurement of goods and services shall be effected 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 that of the Chief Executive or the Financial Controller 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.

The Procurement of goods, services and works are carried out in strict compliance with the provisions of the Public Procurement Act 2006 and subsequent directives issued by the Procurement Policy Office.

Bid Evaluation Committees are set up to evaluate bids according to pre-determined evaluation criteria.

5.3.5 THE PUBLIC INFRASTRUCTURE COMMITTEE

Period 01 July 2019-30 June 2020

- His Worship the Mayor Mr Nagen **MOOTOOSAMY**
- The Deputy Mayor Mr Dooshiant **RAMLUCKHUN**
- Councillor Mr Vishnoo **GOPALOODOO, Chairperson**
- Councillor Mr Siam **SOOKUN, Vice-Chairperson**
- Councillor Mr Ashvin **BUKHORY**
- Councillor Mr Roobakrishnen **CANNOOSAMY PILLAY**
- Councillor Mr Ziyad Mohammed **GOOMANY**

- Councillor Mr Rajendra **ISRAM**
- Councillor Mr Guy Emmanuel **TROYLUKHO**

5.3.6 PUBLIC HEALTH COMMITTEE

Period 01 July 2019-30 June 2020

- His Worship the Mayor Mr Nagen **MOOTOOSAMY**
- The Deputy Mayor Mr Dooshiant **RAMLUCKHUN**
- Councillor Mrs Soolekha **JEPAUL-RADDHOA**, Chairperson
- Councillor Mrs Usha Koontee Devi **SOUNDUR**, Vice-Chairperson
- Councillor Mrs Premila **GEERJANAN**
- Councillor Mrs Arline **KOENIG**
- Councillor Mr Balla Kisnah **RAMANJOOLOO**
- Councillor Mr Atmaram **SONOO**
- Councillor Mr Siam **SOOKUN**

5.3.7 WELFARE COMMITTEE

Period 01 July 2019-30 June 2020

- His Worship the Mayor Mr Nagen **MOOTOOSAMY**
- The Deputy Mayor Mr Dooshiant **RAMLUCKHUN**
- Councillor Mr Guy Emmanuel **TROYLUKHO**, Chairperson
- Councillor Mrs Morganangi **AYACANOU**, Vice-Chairperson
- Councillor Mrs Soolekha **JEPAUL-RADDHOA**
- Councillor Mr Kevin **OCHIT**
- Councillor Mrs Marie Claire Myrella **SEVATHIANE -DANSANT**
- Councillor Mr Atmaram **SONOO**
- Councillor Mrs Usha Koontee Devi **SOUNDUR**

5.3.8 ETHICS COMMITTEE

Period 01 July 2019-30 June 2020

- His Worship the Mayor Mr Nagen **MOOTOOSAMY, Chairperson**
- The Deputy Mayor Mr Dooshiant **RAMLUCKHUN, Vice-Chairperson**
- Councillor Mrs Soolekha **JEPAUL-RADDHOA**
- Councillor Mr Vishnoo **GOPALOODOO**
- Councillor Mr Eric Louis **SALMINE**

6.0 REMUNERATION OF COUNCILLORS

As per the provisions of the Local Government (Remuneration of Councillors) Regulations 2016 effective as from 1st January 2016, monthly remuneration/allowances paid to the Mayor, the Deputy Mayor and Councillors are as follows:

	Councillors as per functions occupied	Monthly remuneration paid to Councillors as per Local Government (Remuneration of Councillors) Regulations Reviewed after PRB report 2016	Monthly telephone allowance issued as prepaid cards	Monthly transport Allowance
1	Mayor	Rs39,575	Rs2,000	Rs13,000 as petrol allowance
2	Deputy Mayor	Rs21,475	Rs1,500	Rs10.30/km mileage allowance covering
3	Councillors who are members of the Executive Committee	Rs14,050	Rs1,000	from residence to Town Hall (to attend
4	Councillors	Rs11,970	Rs500	Council and other meetings)
5	Councillors who are members of the Permits and Business Monitoring Committee	Rs 890 per sitting		

7.0 CORPORATE GOVERNANCE

Corporate governance is about doing the right things in the right way according to law principles of sound governance, whilst ensuring that decisions are taken in a robust and fair manner and in line with existing laws and regulations and principles of ethics, whilst promoting high standard of transparency.

The Council has applied the rule of corporate governance in all its undertakings.

7.1 ETHICS AND INTEGRITY

All employees are aware and are regularly reminded that they should abide by the code of ethics and conduct of public officials. There is a strong and viable organisational environment that reinforces and encourages the ethical and responsible conduct of employees which are supported by structures and processes put in place.

7.2 EFFICIENT INTERNAL AUDIT

The internal audit function provides a good degree of internal assurance in relation to processes and systems. It ensures the completeness, accuracy and reliability of financial and operational process.

An annual audit programme was worked out at the start of the financial year to cover a wide array of activities of the Council strictly adhering to the relevant guidelines, best practices, controls, regulations and procedures with special focus on inherent risk areas.

7.3 REPORTING AND DISCLOSURE

There is regular and informative reporting, both internally and externally, which is a pre-requisite for operational effectiveness. All issues regarding the organization are brought to the attention of the Council in a timely manner and all relevant information is presented in a clear and concise manner.

Financial and non-financial performance and other accountability information are also reported to the Council on a regular basis.

Meetings of the Council are held in public, there is thus a high level of transparency to the public, and compliance with laws and regulations governing the Municipal Council.

7.4 EFFICIENT INTERNAL CONTROL

There is an effective internal control system acting on operations which is reflected by an elaborate reporting to enhance transparency and accountability.

7.5 BUDGETING, FINANCIAL MANAGEMENT PERFORMANCE MEASUREMENT

The Council has according to the Local Government Act 2011 established an annual Performance Based Budgeting process, indicating clearly how the resources allocated will be used thus linking to measurable objectives encouraging a clearer vision, enabling proper forward planning to take place and facilitating the best longer-term use of resources.

To ensure efficient and effective use of resources, relevant financial and non-financial performance measures have been established to measure the Key Performance Indicators (KPIs) which provide a useful management and accountability tool, to ensure and demonstrate the efficient and effective use of resources.

7.6 EXTERNAL AUDIT

The accounts of the Council are audited each year by the National Audit Office. Much care is given by Management to follow the recommendations made in the Management Letter, with a view to enhancing efficiency and effectiveness.

8.0 THREATS AND CHALLENGES

Local government is in the front line of service delivery. Citizens have become more and more demanding and necessary resources are required to provide services and facilities to their satisfaction

8.1 CHALLENGES:

Arrears of Revenue

Recovery of arrears is cumbersome and time consuming due to:

- (a) Lack of timely information on change of ownership
- (b) Debts are time barred hence resulting from loss of revenue
- (c) Lengthy and costly procedures through private attorneys
- (d) Clearances and certificates are no longer required for transfer of properties.

Capital Expenditure

Drains

The provision of drains in the township is a major concern for both the Council and the Government.

A drainage system project is being implemented through funding from the Local Development Project and National Development Unit.

Services

It is a challenge for the Council to maximize satisfaction of citizens by providing an efficient service and attending to complaints within 48 hrs. Hence, an information and Service Centre has been set up for that purpose.

A citizen charter has been set up for that purpose. The Municipal website has been enhanced to facilitate communication with the citizens.

8.1.1 FINANCIAL CONSTRAINT

The total grant in aid formula does not reflect the real needs of the Council and have to be reviewed to allow for more realistic funding of municipal services taking into consideration the following: -

- the level and volume of services being provided to the inhabitants;

- the need for proper maintenance of assets put at the disposal of the Council by the NDU or other funding agencies
- the surface of the administrative area
- the commercial base of the area
- good governance rating of the Local Authority
- the real staffing requirements of the Council.
- Adequate human resource planning and budgeting
- Emphasis on training to enable the human resource of the Council not only to keep abreast with changes but also to increase their knowledge and competence to meet the challenges facing local government.

8.1.2 STRENGTHS

1. The Council is headed by a dedicated team consisting of the Mayor, Deputy Mayor and councillors who takes decision and makes policies for the welfare and betterment of the life of residents of the town.
2. Quatre Bornes is a fast moving and modern town growing mostly in height and there has been in recent years a major increase in commercial development with the setting up of the cyber city at Ebene.
3. Quatre Bornes Market is also well known for its fairs and mostly the haberdashery fairs of Thursdays and Sundays which attracts not only inhabitants of Quatre Bornes but Mauritians from all over the island and also tourists.
4. The town is strategically located.

8.1.3 WEAKNESSES

Our weaknesses are mostly related to the lack of staff and finance. With the limited financial resources, it is difficult to meet the increasing demand for infrastructure and environment maintenance requirements. We have more than 600 new developments in the town every year and this puts additional pressure on our services.

1. Several vacant posts are not being filled thus this may have a negative impact on the services provided to inhabitants.
2. Staff mobility within Councils.

3. Traffic jams more specifically in the morning and afternoon in the town centre.
4. Our limited capacity to increase the revenue base of the Council given that our internally generated revenues are mostly inelastic.

8.1.4 OPPORTUNITIES

The Council has a team of dedicated experienced and multi-skilled personnel who strive to better the quality of service provided to the public within the available means. There is good internal communication within the organization.

1. The town is expanding and is attracting more and more residents and investors.
2. The Ebene Cybercity is located within the township
3. New roads network and more specifically the Terre Rouge Verdun Link road extension has made Quatre Bornes more accessible to both the Northern and Eastern part of the island.
4. Use of framework agreements to minimise procuring cost of certain goods
5. Composting and segregation of waste to reduce load of wastes transported to landfill stations
6. The sewerage works in the town is reaching completion and has thus improve sanitation within the township.

8.1.5 THREATS

1. Reduction in the grants provided to the Council by the Central Government.
2. Proliferation of illegal hawkers in the township
3. Traffic jams and absence of parking spaces facilities within the township.
4. Increase of prices which may affect our cost structure.

9.0 STRATEGIC NOTE

9.1 MAJOR ACHIEVEMENTS FOR FINANCIAL YEAR 2019/2020

S.N	Title of Project	Estimated Cost (Rs)
1	Multipurpose Complex at Beau Sejour	2,800,000.00
2	Construction of Drains A,B,C + NEF	16,306,517.00
3	Multipurpose Complex at Balance, Residence Kennedy (Mont Seigneur Leen)	9,512,468.00
4	Construction of Outdoor Toilet Block at Pere Laval Kindergarten	500,000.00
5	Waterproofing at Ebene Gymnasium	Donation by Chinese Embassy
6	Supply of scaffolding	50,140.00
7	Waterproofing at Cloakroom Kennedy	253,060.00
8	Sports flooring at Palma Municipal Wellness Centre	638,632.78
9	Resurfacing of roads within the Township	14,641,149.16
10	Construction of new roads and lanes within the Township	5,401,179.19
11	Construction of an Incinerator Building at Berthaud Cremation Ground including all Civil Works	8,000,000.00
12	Supply of LED Floodlight for football ground	82,110.00
13	Construction of Cloakroom at Palma Wellness Centre	568,897.33
14	Infrastructural works at Victoria Avenue for relocation of Doyen Fair	1,200,000.00
15	Yard works at Bassin	4,024,279.30
16	Renovation of Finance Department	3,846,509.28
17	Construction of Mini Soccer at Ollier Wellness Centre - NDU Funded	4,800,945.25
18	Lighting of Open Tennis Court at Pavillon - NDU Funded	1,521,230.93
19	Artificial Turfing at Beau Sejour Children Playground	879,957.58
20	Resurfacing of Trois Mamelles Road	3,406,373.51
21	Covering of drain at Rotin No. 1	482,137.50
22	Guardrail at Bassin	1,007,400.00
TOTAL		79,922,986.81

9.2 MAJOR SERVICES PROVIDED

OPERATIONAL AND SERVICE DELIVERY PLAN

There are five programmes under the Programme Based Budget as follows:

Programme 1: Policy and Management of the Council

PROGRAMME: 1 - Policy and Management of the Council

- Implementation of Council's decisions.
- Delivery of Programmes as laid down in the Programme - Based Budget.
- Collection of revenue including arrears

Programme 2: Provision and Maintenance of Community Based Amenities

- Construction and maintenance of non-classified roads.
- Construction and maintenance of drains.
- Installation and maintenance of Street lighting points.
- Road marking and replacing and maintaining traffic signs.
- Maintenance of Council's assets e.g buildings, sports infrastructure, etc.
- Implementation of key infrastructure

Programme 3: Development control within the Council's Area

- Issue of building and land use permits
- Dissemination to citizens of guidelines relating to issue of permits.
- Ex Post Control

Programme 4: Sound and Healthy Conditions in the Council's Area

- Refuse collection and their disposal.
- Cleaning of public places including bare lands.
- Rodent and pest control.
- Information/Education and Communication (IEC) campaigns to local community.

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

- Organisation of Cultural and Social activities.
- Organisation of Sports activities and support to sports clubs.
- Support to other clubs and associations.
- Managing pre - primary schools.

- Provision of educational, IT and literary and other facilities.
- Consolidation of centralised and decentralised library facilities.

9.2.1 PROGRAMME: 1 - POLICY AND MANAGEMENT OF THE COUNCIL

Priority objectives for this programme

- Ensure that Municipal services are provided to the satisfaction of citizens.
- Ensure that resources allocated to Departments are used judiciously.
- Ensure that Council's policies are formulated and implemented within the framework of the Local Government Act and other laws.
- Exercise sound administrative and financial control.
- Close monitoring of expenditure.

9.2.1.1 ADMINISTRATION DEPARTMENT

The Administration Department is the nerve centre of the Municipal Council and has as prime responsibility to coordinate activities of the different departments of the Council as well as exercise administrative and financial control with a view to ensuring efficiency, effectiveness, productivity and sound financial management.

Being the secretariat of the Council, the Administration Department implements all decisions taken by the Council and ensures that all meetings are held within the prescribed delay as required by law. The Chief Executive is the head of the administration and is assisted by one Deputy Chief Executive and two Assistant Chief Executives in the carrying out of his duties.

The Administration Department comprises the following sections:

- The Human Resources Management Section
- Committee Section
- Internal Audit Section
- Information Technology Section
- Registry
- Receptionist and complaint section
- Library Section
- Legal Section

9.2.1.2 LOCAL DISASTER RISK REDUCTION AND MANAGEMENT COMMITTEE

MAURITIUS has a distinct rainy season from November to April and a dry season from May to October. The mean annual rainfall is 2100 mm per year. When environmental shocks like flooding hit a country, it creates an uproar amongst the population. Natural calamities happen anytime and anywhere and so the wisest thing to do first is to get informed. Families have to prepare for upcoming calamities especially now that we are living in the climate change era. Communities have to get together and strengthen local protection means and evaluate Environmental Assessment Impacts of projects before embarking on them.

As per National Disaster Risk Reduction and Management Act 2016, Local Disaster Risk Reduction & Management Committees (LDRRMC) have been established in each local authorities' levels.

The Municipal Council has the task, amongst other issues, incorporating climate risks in development plans; mobilizing resources for adaptation; adjusting building and land use regulations to consider climate risks; and enhancing disaster preparedness, response and recovery.

Local Disaster Risk Reduction and Management Committee

The Municipal Council of Quatre Bornes has met several times under the Chairpersonship of His Worship the Mayor, Mr. Nagen MOOTOOSAMY in the Local Disaster Risk Reduction & Management Committee.

Functions of Local Disaster Risk Reduction Management Committee (LDRRMC)

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
- b) prepare and implement, in accordance with any guidelines laid down by the National Council, the Local Plan to be approved by the National Centre;

- c) promote and implement disaster risk reduction and management education and public awareness programmes;
- d) build capacity, acquire resources and coordinate disaster risk reduction and management activities;
- e) conduct trainings (Community Disaster Response Programme), drills and simulation exercises

Local Emergency Operations Command

At the level of the Municipal Council of Quatre Bornes, a Local Emergency Operations Command (LEOC) has been established and is activated whenever a disaster or any other crisis becomes imminent within the area of jurisdiction and reports to the National Emergency Operations Command (NEOC).

The LEOC is activated solely for the purpose of coordinating all activities during a disaster and makes use of the well-established command, control, co-ordination and communication system of the Police so as to avoid unnecessary duplication of resources, as far as practicable.

LEOC activation of 31 December 2019



Activities Held in Year 2019/2020

TABLETOP SIMULATION EXERCISE

Table top exercises are facilitated discussions, generally in an informal, low-stress environment. An emergency situation is discussed in a constructive manner with the goal of identifying and resolving problems, refining existing operational plans and better understanding each other's responsibilities, resources and operational procedures. This is the only type of simulation that does not require an existing response plan in place. It usually takes a few hours, depending on the participation. (WHO, 2017)

The aim of the Tabletop Simulation Exercise is to: -

- reinforce capacity building of all stakeholders;
- clarify the roles and responsibilities of an agency in response to such event,
- evaluate the effectiveness of its emergency plans, protocols and procedures;
- evaluate the coordination deployment of first responders in emergency situations.
- assess the procedures for gathering and processing the information which is a critical for decision making.

Tabletop simulation exercise on flooding at SSR Avenue, Candos and La Louise, Quatre Bornes was carried out on 20 September 2019.



9.2.1.3 MANAGING OUR HUMAN RESOURCES

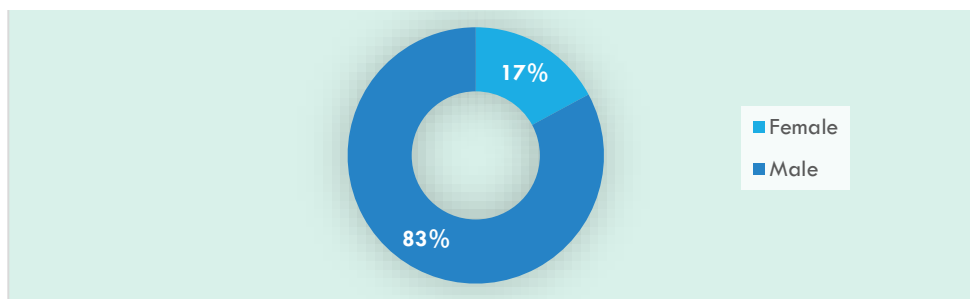
The Human Resource Management Section plays a vital role as the Council relies on its human resources to ensure the most efficient and effective delivery of services to the inhabitants.

The Human Resource Section also deals amongst others with all industrial relation, staff discipline, appointments and retirement of Council's employees in accordance to the relevant laws as well as regulations in force.

It also caters for the training needs of employees as well as looks into the Health and Safety requirements of different grades of workers during their day-to-day activities as stipulated in the Occupation Safety and Health Act.

GENDER

There were 620 male employees and 128 female employees in post on the establishment of the Council as at 30 June 2020.



LIST OF OFFICERS APPOINTED FROM JULY 2019 TO JUNE 2020

POST	TOTAL	REMARKS
Driver (Roster)	1	Internal Recruitment
Attendant/Senior Attendant	1	
Refuse Collector (Roster)	1	
Welfare Officer	1	Internal Recruitment
Clerical Officer	1	
Incinerator Operator	2	Internal Recruitment
Chief Inspector of Works	1	Internal Recruitment
Senior Inspector of Works	1	Internal Recruitment
Handy Worker (Special Class)	1	
Mason	1	Internal Recruitment
Internal Auditor	1	
Tradesman's Assistant (Mason)	1	Internal Recruitment
	13	

9.2.1.4 LIBRARY SECTION

The library was originally set up in 1948, with some 800 volumes of 'Mauritiana' books, i.e. books published by local authors. It was officially converted into a public library on 19 May 1949. The public was allowed access to its collections for the first time on 1st September 1949.

In September 1979, the 'Commission Mixte Franco-Mauricienne' held in Paris approved the financing of a new library project formulated by the Municipality of Quatre Bornes. In 1981, a 'Convention de financement' was signed between the French government and the Government of Mauritius to construct a new library building of 8,000 sq.ft with four separate sections: Reference, Periodicals, Children and Adult Lending. The stock increased to 30,000 books and the library personnel comprised of ten officers and auxiliary staff. On 7 July 1986, the new library was inaugurated and opened to the public. In 2006, the library collections included about 85, 000 books. Membership was approximately 5,500 in the Adult Lending Section and 4,500 in the Children's Section.

MISSION AND VISION

The library provides access to a wide range of books and periodicals. We aim at offering equal and easy access to all existing services and facilities for the purpose of education, culture, research, information and leisure.

- To provide a library for intellectual and personal enrichment
- To empower users in the information age.
- To be a dynamic centre for knowledge and lifelong learning

Services

The Library provides its services at The Simone de Beauvoir library (Town Hall), The SSB Médiathèque at Belle Rose, The Sodnac Branch Library, and in the five reading points located at Palma, Bassin, Berthaud, Résidence Kennedy, Résidence Père Laval, and an Internet corner at Résidence St Jean.

The services offered by the Library are: -

- Lending (Books and Periodicals)

- Children's Library,
- Reference room
- Mauritiana
- Magazines and Newspapers,
- Internet facilities at the Simone de Beauvoir Library, SSB Médiathèque, Sodnac Branch Library, Residence Père Laval Reading Point, Bassin Reading Point and Residence St Jean.
- Photocopy facilities.

COVID 19 Pandemic impact on the Library

The [COVID-19 pandemic](#) was confirmed to have reached [Mauritius](#) in March 2020. On 19 March 2020, the Prime Minister announced that the country would be under "sanitary" lockdown for two weeks as from 6:00 a.m on 20 March 2020. However, with the extension of the lockdown period, the library was closed, and was reopened to the public on the 1 June 2020, with all sanitary measures respected.

Books were made available on-line during the confinement period.

The opening hours of Reading Points (Palma, Bassin, Berthaud, Res. Kennedy, Res. Pere Laval) and branch libraries (SSB Médiathèque & Sodnac Branch Library) were reviewed are as follows:-

Weekdays (Monday to Friday): 2.00 p.m to 4.30 p.m

The statistics for period 1 July 2019 to 30 June 2020 for the library section is listed hereunder

		1st July 2017- 30 June 2018	1st July 2018 - 30 June 2019	1st July 2019- 30 June 2020
1	Number of users	5898	6383	6617
2	No. of subscribers (active)	1377	3479	3517
3	No. of new Subscriptions	428	235	395
4	No. of periodicals titles	40	40	57
5	No. of books acquired	1156	1039	680

The activities which were organized by the library were as follows:-

25-27 July 2019: Music in English Language Programs by

- Creative writing activities in English for participants to choose a theme for their song
- Program on music production

- Breathing techniques that enabled the participants to control their emotions and impulsivity
- Performance of the songs they learned or created



Photos: His Worship the Mayor Mr. N. Mootooosamy in the presence of Mr Armen who is a creative teacher from New York teaching at the MIE, Mr Stewelderson Aaron who is slam master, teacher and director of Slam Up Poesie, and Mrs Veronique Nankoo who is a Storyteller at the French Institute of Mauritius and theatre teacher . Some 50 students participated in the Program, who were rewarded for their participation.

9-11 August 2019: Participation of the Simone de Beauvoir Library at the World Book & Copyright Day 2019 at St Pierre Market, in collaboration with the National Library.



Photos: Opening ceremony by Honourable Prithvirajsing Roopun Minister of Arts & Culture, and activities (face painting, story telling) organised by Municipal Libraries

5 & 7 December 2019: Activities during school holidays:

Atelier de Créativité, face painting, story-telling / 'heure du conte' et séance de cinéma pour les enfants en collaboration avec la MFDC

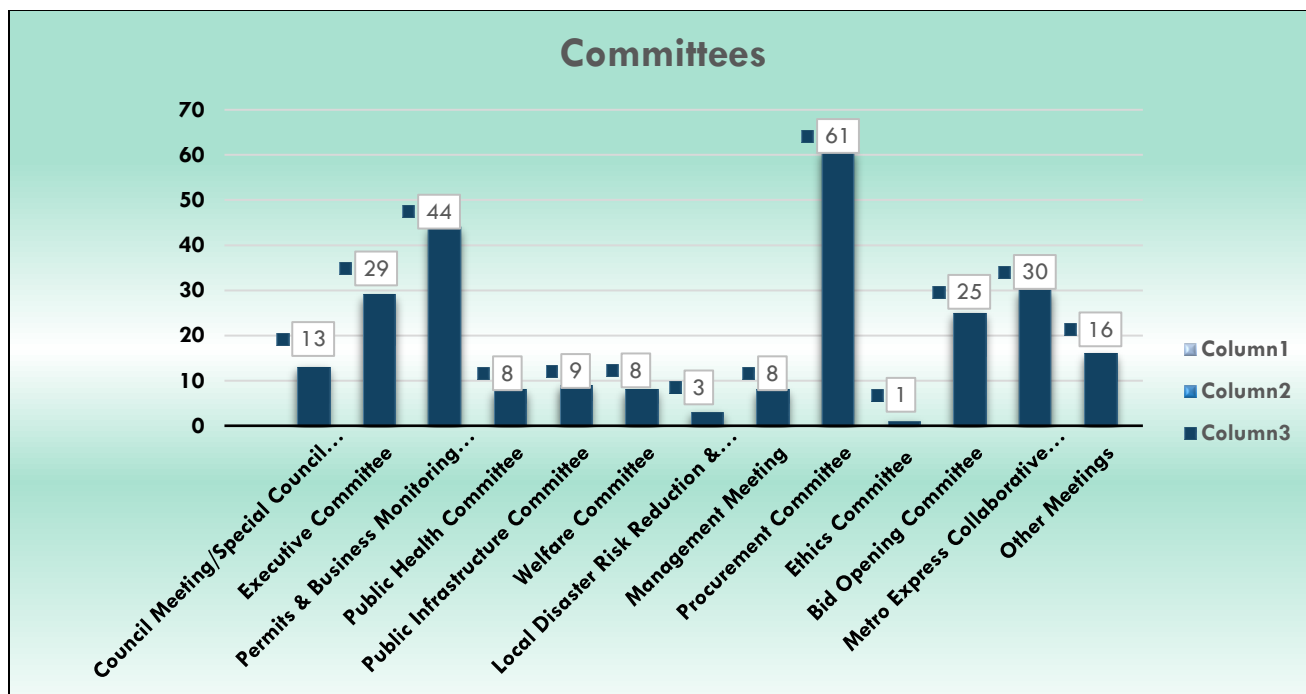


Photos : Atelier de créativité pour les enfants, face painting et story-telling. Some 60 participants were rewarded for their participation

9.2.1.5 COMMITTEE SECTION

NUMBER OF COMMITTEES HELD FOR FINANCIAL YEAR 2019/2021

	COMMITTEE	NO OF MEETINGS
1.	Council Meeting/Special Council meeting	13
2.	Executive Committee	29
3.	Permits & Business Monitoring Committee	44
4.	Public Health Committee	8
5.	Public Infrastructure Committee	9
6.	Welfare Committee	8
7.	Local Disaster Risk Reduction & Management Committee	3
8.	Management Meeting	8
9.	Procurement Committee	61
10.	Ethics Committee	1
11.	Bid Opening Committee	25
12.	Metro Express Collaborative Coordination Meeting	30
13.	Other Meetings	16



9.2.1.6 FINANCE DEPARTMENT

The Finance Department is responsible amongst others for:

- the collection of all revenues accruing to the Council and for effecting all payments including salaries to its employees
- effecting all purchases of the Council
- preparing the yearly Estimates and yearly Financial Statements for submission to the Ministry and the Audit Department respectively
- the overall financial administration of the Municipal Council and providing financial advice, financial information and exercises financial control on all financial transactions

There are three sections in the Finance Department:

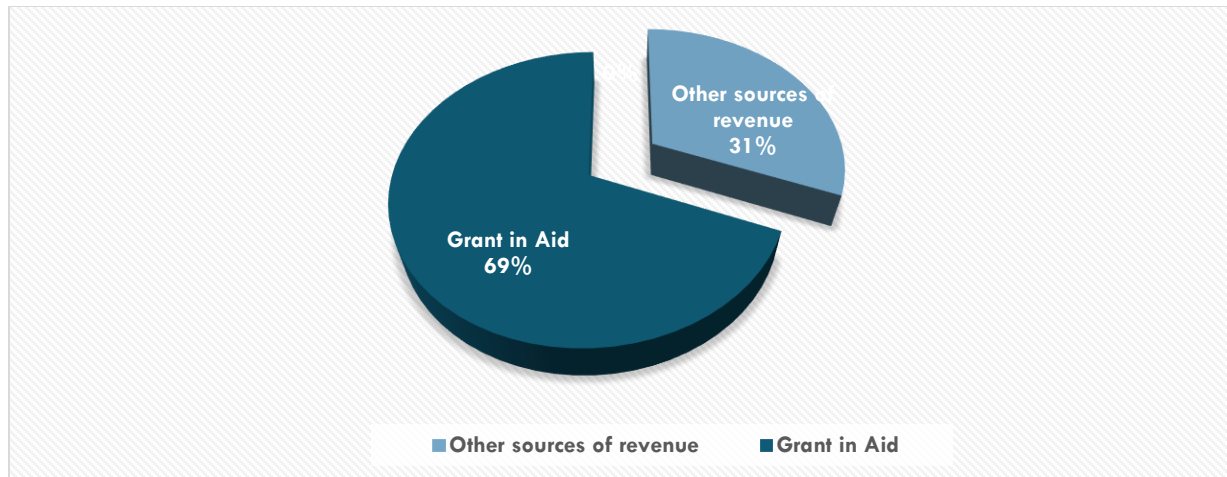
- Establishment - Payroll
- Income
- Expenditure

The activities of the Municipal Council are financed from:

- Grant in Aid
- Own source of revenue

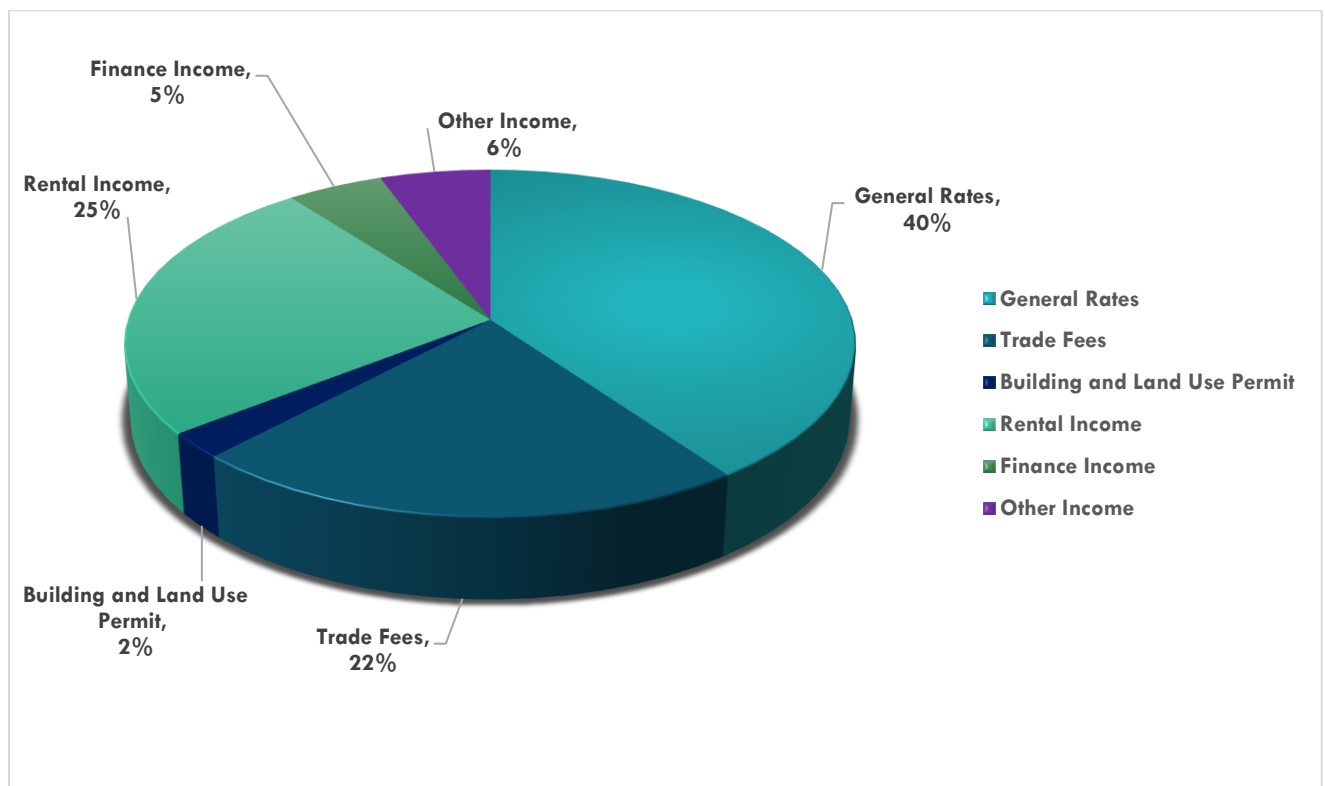
9.2.1.7 GRANT IN AID

An amount of **Rs 286,554,000** has been received as grant in aid from the Government for Financial year 2019/2020 to meet part of the recurrent expenditure of the Council which represents **69 %** of the total revenue.



9.2.1.8 OTHER SOURCES OF REVENUE

The main sources of revenue of the Council come from trade fees from economic operators, general rate, rentals, fees from markets, fairs and Building and Land Use Permit fees.



9.2.1.9 CLASSIFIED TRADES

Any person wishing to carry out a classified trade shall

- Register with the Registrar of Companies;
- Apply and obtain a Building and Land Use Permit (where applicable) at the Planning and Land Use Department of Council; and
- Pay the relevant fees to the Council prior to start a commercial activity.

The payment of fees, dues and charges in respect of classified trades shall be due by the 1 January of that year and shall be payable

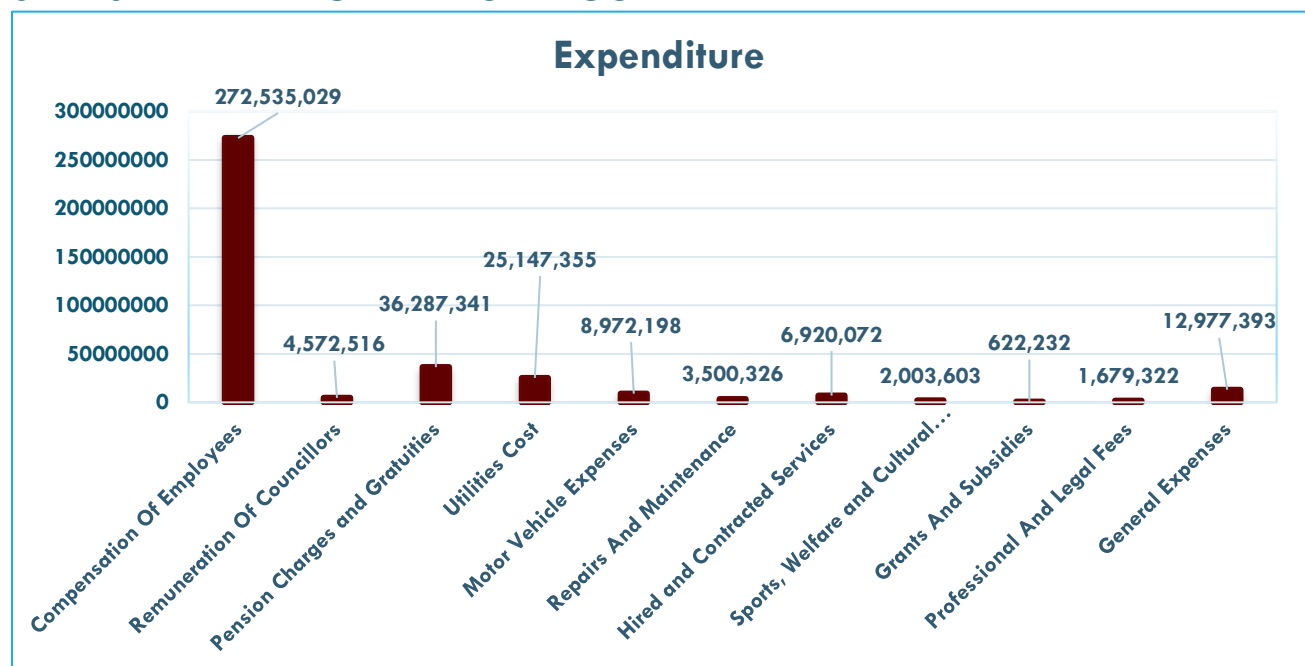
(i) within 15 days of the start of a classified trade; and

(ii) thereafter in respect of every subsequent financial year in two equal installments, the first one on or before 31 July and the second on or before 31 January next year ensuing.

A surcharge of 50% shall be leviable on any amount not paid within the period specified above.

However, as from January 2020 onwards, payment of trade fees are done at the Registrar of Companies as per the Local Government (Fees) Regulations 2019, published in Government Notice 252 of 2019.

9.2.2.0 EXPENDITURE BY CATEGORY



9.2.2.1 INTERNAL AUDIT PLAN PERIOD 01 JULY 2019- 30 JUNE 2010

Under the responsibility of the Chief Executive Department, the Internal Control and Internal Audit are vital elements of good financial management of the Council activities to ensure that:

- Appropriate procedures, practices and controls are operating in the Council to achieve departmental objectives by preventing errors, waste and extravagance;
- All Council's assets are properly safeguarded;
- All records are adequate and reliable;
- All sums voted are spent in accordance with the Council's approval and recommendations and comply with laws, regulations and instructions;
- All revenues laid down by law and regulations are promptly collected and accounted for;
- Spot checks are made when required i.e before approving any payment on capital projects;
- Reporting on Internal Audit findings are made to the Accounting Officer for remedial action to be taken.

Hereunder is the Audit Areas covered for the Financial Year 2019-2020

ANNUAL AUDIT PLAN

WEEKLY / MONTHLY – PAYROLL

I.	FINANCIAL CONTROLLER
1	Salaries Allowance
2	Overtime
3	Travelling
4	Acting / Assignment
5	Other Allowances : BEC, PBMC, Procurement Cttee, Court etc.
6	New Recruits
7	Councillors
8	Bank Transfer
9	Absences
10	Retired Association – FPS
11	Other Deductions: Overpayments, Car Loan etc.
12	Payroll Reconciliation
13	Employers Contributions

I.	FINANCIAL CONTROLLER
14	Car Loan
15	Payroll Reconciliation
16	Bank Payment for Payroll
17	Order on Financial Controller's for Payroll
18	Order on Financial Controller's for Councillors
19	PENSION - LA Shares to Sicom

II.	CHIEF EXECUTIVE'S DEPT
1	Mileage Allowance
2	Overtime
3	Passage Benefit
4	Sick / Vacation Leave & Passage Benefits on Retirement
5	Retirement Benefits & Gratuity

III.	WELFARE DEPT
1	Overtime
2	Site to Site Travelling

IV.	LIBRARY DEPT
1	Overtime
2	Site to Site Travelling

V.	PLANNING DEPT
1	Mileage Allowance
2	Overtime

VI.	WORKS DEPARTMENT
1	Mileage Allowance
2	Overtime
3	Site to Site Travelling

VII.	HEALTH DEPT
1	Mileage Allowance
2	Overtime
3	Site to Site Travelling

WEEKLY/ MONTHLY – PAYMENTS

I.	FINANCIAL CONTROLLER
1	Purchase Orders
2	Service Orders
3	Order on Financial Controller's for Purchase & Service Orders
4	Bank Payment for Suppliers / Contractors
5	Imprest / Petty Cash
6	Deposit BLP CEB / CWA / WWMA

II.	CHIEF EXECUTIVE'S DEPT
1	Passage Benefit
2	Sick / Vacation Leave & Passage Benefits on Retirement
3	Retirement Benefits & Gratuity
4	Service Orders
5	Reporting

III.	WELFARE DEPT
3	Service Orders
4	Refund of Deposit
a	— Social Halls
b	— Reception Halls
c	— Bus
5	Imprest / Petty Cash

IV.	LIBRARY DEPT
1	Service Orders
2	Refund of Deposit

V.	PLANNING DEPT
1	Service Orders

VI.	WORKS DEPARTMENT
1	Site to Site Travelling
2	Service Orders
3	Spare Parts – MRS
4	Capital Projects
	— Resurfacing Roads / Lanes
	— Construction New Roads/Lanes
	— Construction / upgrading of Drains
	— Building & Amenities
	— Minor Works

VII.	HEALTH DEPT
5	Service Orders

YEARLY AUDIT PLAN

I.	FINANCIAL CONTROLLER
1	Stocktaking – Store
2	Stocktaking – Non-Store
3	Bonus – Employees
4	Bonus – Pensioners
5	Increment
6	Compensation – Employees
7	Compensation – Pensioners

8	Uniform Allowances
9	Leaves: Casual / Vacation /Sick
10	Unutilised Sick Leave

II.	CHIEF EXECUTIVE'S DEPT
1	Leaves: Casual / Vacation /Sick
2	Prepare Annual Audit Plans
3	Prepare Individual Audit Assignments
4	Plan programme of Internal Audit work on a Yearly & Monthly basis
5	Update Working Paper Files
6	Monitor Audit Work with Audit Plan

III.	WELFARE DEPT
2	Leaves: Casual / Vacation /Sick

IV.	LIBRARY DEPT
1	Leaves: Casual / Vacation /Sick

V.	PLANNING DEPT
1	Leaves: Casual / Vacation /Sick

VI.	WORKS DEPARTMENT
1	Leaves: Casual / Vacation /Sick

VII.	HEALTH DEPT
1	Leaves: Casual / Vacation /Sick
2	Drawing of Lots

9.2.2.2 PROGRAMME 2 PROVISION AND MAINTENANCE OF COMMUNITY- BASED INFRASTRUCTURE AND AMENITIES

Priority objectives for this programme:

- Ensure the useful life of community-based infrastructure is enhanced.
- Reduce flooding areas and ensure proper evacuation of running water through the construction and maintenance of drains.
- Provision of well accessed non-classified roads with traffic signs and proper road marking.

9.2.2.3 THE PUBLIC INFRASTRUCTURE DEPARTMENT

The Public Infrastructure Department is responsible amongst others for the following services:

- Construction and Maintenance of Non-Classified Roads
- Construction and Maintenance of drains along Non-Classified Roads
- Fixing and Maintenance of Street Lighting, Traffic Signs and Street Name Plates
- Construction and maintenance of Green Spaces, Gardens and Playgrounds
- Fixing of Decorations for social, sports and religious activities
- Maintenance of Buildings, Markets, Cemeteries, Traffic Centres
- Design and Manage Building and Civil Engineering Projects undertaken by in-house labour or contracted services and to ensure adequate maintenance of existing assets.

The Head Public Infrastructure Department advises the Council on engineering matters and the implementation and application of the relevant legislations including the Roads Act, the Building Control Act and the Local Government Act; etc.

DRAIN CONTRACTS A, B, C + NEF



Figure 1 - CASSIDY AVE



Figure 2 - BENGALI AVE



Figure 3 – MAREEMOOTOO AVE



Figure 4 – JACARANDAS AVE



MULTI PURPOSE COMPLEX MGR LEEN



SPORTS FLOORING AT PALMA WELLNESS CENTRE

RESURFACING OF ROADS



Figure 1 – MALLEFILLE AVE



Figure 2 – RAGHOOPUTH AVE

CONSTRUCTION OF NEW ROADS



Figure 1 – CERISIER AVE



Figure 2 – CREMATION AVE



PALMA CLOAKROOM



YARDWORKS AT BASSIN



RENOVATION FINANCE DEPARTMENT



MINI SOCCER PITCH OLLIER



LIGHTING OF OPEN TENNIS COURT PAVILLON



ARTIFICIAL TURFING AT BEAU SEJOUR CHILDREN PLAYGROUND



COVERING OF DRAIN AT ROTIN NO. 1



GUARDRAIL BASSIN

9.2.3 PROGRAMME 3 –DEVELOPMENT CONTROL WITHIN COUNCIL’S AREA

Priority objective for this programme

- Ensure a harmonious and orderly development within the Council's area.
- Process and issue of buildings and land use permits in a timely manner.

9.2.3.1 BUILDING LAND USE AND PLANNING DEPARTMENT

Building and Land Use Permit

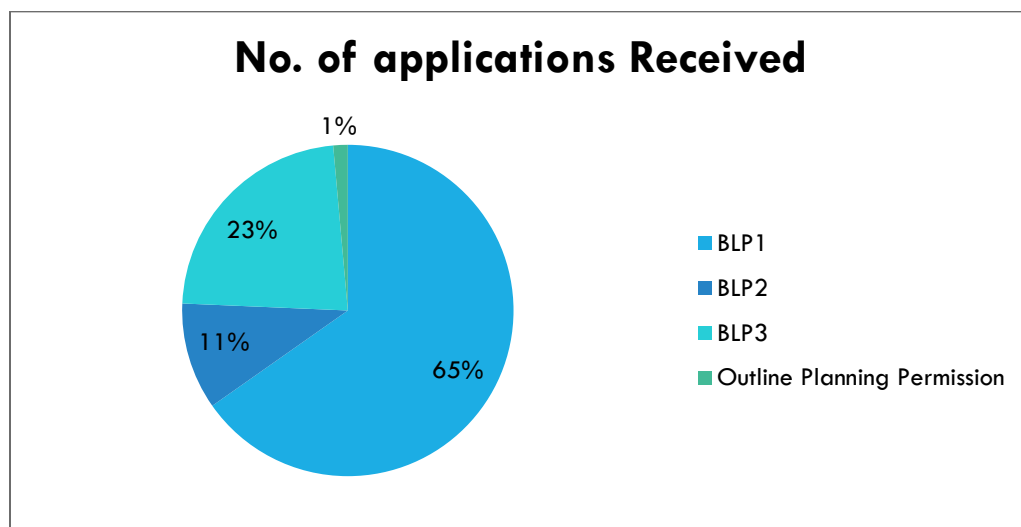
The Municipal Council of Quatre Bornes is the local planning authority that has responsibility for orderly and proper planning of development within its administrative area. In this regard, the Council has the statutory responsibility to implement the Outline Planning Scheme (OPS) under the Town and Country Planning Act. The OPS can be described as a master plan that provide for a framework to guide development within the township.

The OPS has provided for designated growth zones in Ebene as well as pre-designated zones along Motorway to encourage large scale developments. All development proposals are guided in accordance with the framework laid down in the OPS. In processing Building and Land Use Permit, the Land Use and Planning Department (LUPD) ensures that all proposals conform to requirements of the OPS, Building Control Act, and Environment Protection act.

The table below shows the number of Building and Land Use applications received and the outcome of the applications after having been processed from 01st July 2019 to 30th June

2020. All applications were processed and determined within the parameters of law and within the statutory time frame of 14 working days.

Type of Development	No. of applications Received	BLP Issued	Refused	Set aside/ cancelled	Awaiting Clearances
BLP1	507	326	152	28	1
BLP2	81	65	12	4	0
BLP3	178	75	68	25	10
Outline Planning Permission	11	10	1	0	0
Total	777	476	233	57	11



NOTE: The Land Use and Planning department has also issued a number Occupation Certificates.

Development Control

The total number of buildings surveyed within the township of Quatre Bornes during the period 01st July 2019 to 30th June 2020 is 852 buildings, that represents an increase in the number of building surveyed as compared to previous years.

Survey Report for buildings in the town of Quatre Bornes

Number of Buildings Surveyed from 1 st July 2019 to 30 th June 2020.	
Completed and occupied	352
Partly completed and occupied	19
Completed but not yet occupied	45
Under construction	272
Building construction not yet started.	164
Total	852

Unlawful Development

No. of Complaints attended	187
No. of Enforcement Notices served	13
No. of Compliance Notices served	57
No. of Pulling down Notices served	36
Legal action taken (referred to court)	21

Statistics for court cases

The number of cases of unlawful construction brought to District Court for the period of 01st July 2019 to 30th June 2020 is 21.

The number of cases of unlawful construction brought to Supreme Court for the period of 01st July 2019 to 30th June 2020 is 1.

The number of contempt of court cases sent to attorney but not yet lodged at supreme court for the same period is 9.

Cases ongoing and called at court for the same period.

	No. of ongoing cases	No. of cases attended
Supreme Court	23	28
Intermediate Court	8	16
District Court	21	109
ELAT	26	99
Human rights commission	2	2
Total	70	254

Statistics for the Cadastral section

The data in the table below refers to Morcellement files from Ministry of Housing and Lands and Ministry of Agro Industry, Morcellement application received at the council (BLP2). Number of self-assessment received and expost control files sent to valuation through VO13A with forms for general rate is also included.

	No. of new cases
Morcellement Board Application	45
Land Conversion Application	21
BLP2	81
Self-Assessment	0
VO 13A to valuation office	321
Total	1176

9.2.4 PROGRAMME: 4 - SOUND AND HEALTHY CONDITIONS IN THE COUNCIL'S AREA

Priority objective for this programme:

- The Collection and Removal and disposal of household, industrial, commercial and agricultural waste and other refuse.

- Management of public Markets and Fairs.
- Control of hawkers.
- Creation of a salubrious environment in the Council's area through the provision of an efficient refuse collection, regular cleaning and maintenance of public places such as open spaces, parks, gardens, bus shelters, public buildings including lavatories.
- Regular maintenance of drains and roads.

9.2.4.1 PUBLIC HEALTH DEPARTMENT

Introduction

The Public Health Department has the overall responsibility for maintaining a good living environment in the Council area.

The area of the Town is 230.5 km² with a population of about 85,000 and it comprises the following regions: Belle Rose, Ebene, Pellegrin, Trianon, Morcellement Ebene, Ebene Cybercity, Morcellement St Jean, Morcellement Sodnac, Candos, Bassin, La Source, Palma and Old Quatre Bornes.

The number of residential premises is approximately 23,000.

The main duties of the Public Health Department are:

1. Collection of household refuse and commercial refuse
2. Management of market and fairs and foodcourt (municipal)
3. Management of cemeteries and crematorium
4. Processing and issuing of trade fees receipts for classified trades (transferred to Registrar of Companies as from 31st January 2020).
5. Rodent Controls
6. Collection of bulky wastes/e-waste on a twice-yearly basis subject to availability of funds.
7. Control of illegal hawkers and other trades
8. Expost Control
9. Herbicides spraying/weeding/cleaning of poster panels/removal of oriflames/banners

10. Cleaning of drains, river and canals
11. Enforcement of regulations
12. Cleaning of barelands (unknown/heirs/abroad)
13. Sensitization campaigns in connection with environmental Sanitation
14. Prosecution
15. Control of pollution
16. Decentralised Cordination and Cleaning of the township with all stakeholders

Department Manpower

<input type="checkbox"/> Chief Health Inspector	:	1
<input type="checkbox"/> Principal Health Inspector	:	1
<input type="checkbox"/> Senior Health Inspector	:	2 + (1 vacant)
<input type="checkbox"/> Health Inspectors	:	10
<input type="checkbox"/> Supervisor, Refuse Collection	:	3
<input type="checkbox"/> Overseer	:	1
<input type="checkbox"/> Feild Supervisor /Gangman	:	1 + (1 vacant)
<input type="checkbox"/> Refuse Collector (Roster)	:	274
<input type="checkbox"/> Refuse Collectors (Personal)	:	5
<input type="checkbox"/> Handy Workers (Sanitation/Disease Control)	:	16
<input type="checkbox"/> General Workers	:	19
<input type="checkbox"/> Drivers (Roster)	:	11
<input type="checkbox"/> Drivers (Heavy Mechanical unit) (Roster)	:	10
<input type="checkbox"/> Drivers (Scavenging Supervisors) (Roster)	:	3
<input type="checkbox"/> Drivers	:	10
<input type="checkbox"/> Chemical Sprayerman	:	4
<input type="checkbox"/> Incinerator Operator	:	4
<input type="checkbox"/> Burial Ground Attendant	:	1 + (1 vacant)
<input type="checkbox"/> Sanitary Attendant	:	2
<input type="checkbox"/> Office Management Assistant	:	1
<input type="checkbox"/> Clerical Officer	:	1
<input type="checkbox"/> Attendant	:	5
TOTAL		<u><u>388</u></u>

1. Refuse Collection Service

Collection and disposal of residential and commercial refuse is an essential service which is implemented by the Public Health Department for the enhancement of the living environment in the township and by making it a clean, safe and healthy place for living.

A once weekly service is provided to all households and a daily service for commercial premises along the town centre.

There is also a paid service for removal of abnormal refuse.

Household Refuse – Rs 1,500 without labour per trip

- Rs 3,500 with labour per trip

Commercial Refuse - Rs 4,000 without labour per trip

- Rs 2,500 with labour per trip

For a good scavenging service, the town has been divided into 30 sections.

Commercial ▶ 2 teams

Market/Fair ▶ 2 teams

Household refuse ▶ 28 teams

Flying team ▶ 2 teams

Commercial refuse ▶ done on a daily basis alongside main roads and within Town Centre including removal of waste at Victoria Hospital.

Household refuse ▶ collected on a once weekly basis on a two-shift system.

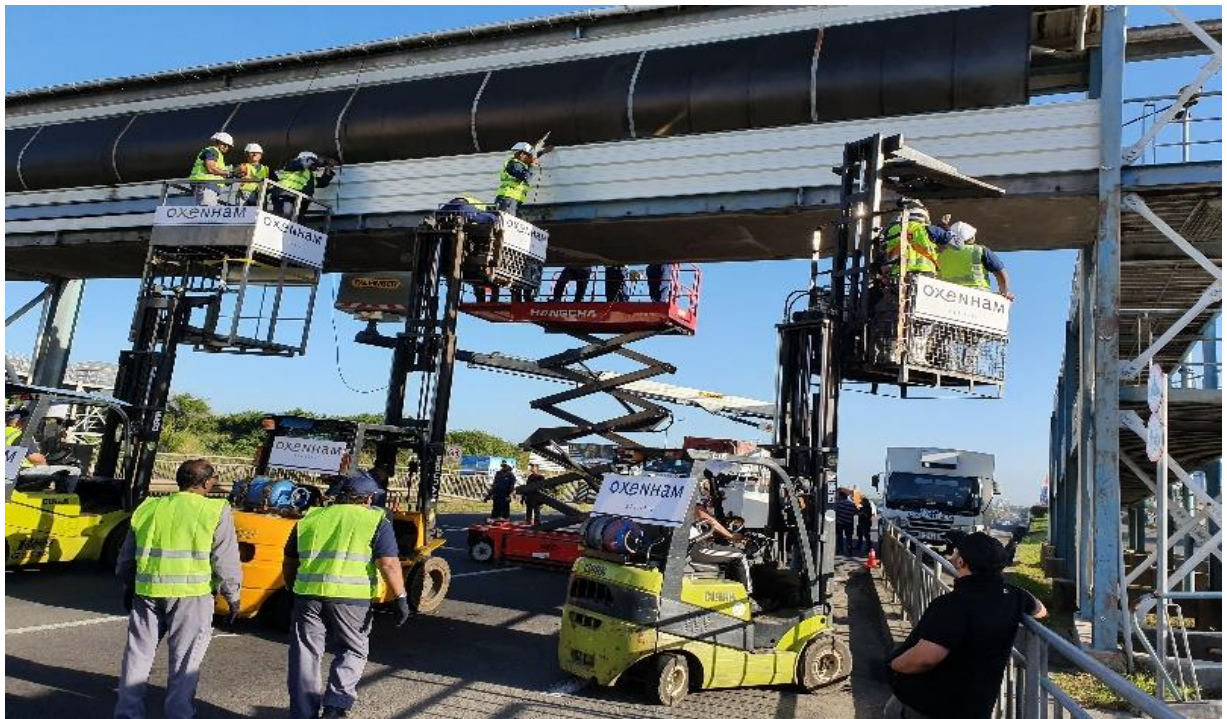
All main roads are swept on a daily basis and sweeping is also done on all avenues, once weekly during refuse collection.

All bins along main road are emptied on a daily basis.

The Council has received three compactor lorries from the Ministry in June 2020 for enhancing the residential scavenging service. They bear registration number 4Z139, 4Z140 and 4Z141.

Mega Cleaning Campaign

- A National mega cleaning campaign was organised by the Government from 12 to 14 July 2019.
- Works carried out by Municipal Council of Quatre Borne, Fire Services and private stakeholders.
- Cleaning and reinstatement of footbridge near Oxenham Co.Ltd.
- Painting of Jules Koenig Trust Centre
- Cleaning of River banks at River Sèche, Belle Rose
- Cleaning and Flushing of St Jean Roundabout.



CLEANING & REINSTATEMENT OF FOOTBRIDGE NEAR OXENHAM CO LTD



CLEANING OF RIVER BANKS AT RIVER SÈCHE, BELLE ROSE



CLEANING & FLUSHING OF ST JEAN ROUNDABOUT

Bulky waste Collection campaign

Bulky wastes campaign done in:

October 2019, November 2019 and December 2019: Number of trips removed = 649

All wastes were sent to La Chaumiere transfer station.



2. Market and Fair

- ☐ There is only one market: Quatre Bornes Market including foodcourt.
- ☐ There are two fairs:

The Quatre Bornes Fair and the Victoria Fair:

Market Fairs	No. of Stalls	Items sold
Quatre Bornes Fair - Tuesday/Friday	551	Haberdashery
Quatre Bornes Fair - Wednesday/ Saturday	539	Vegetable
Quatre Bornes Fair - Thursday/Sunday	555	Haberdashery
Quatre Bornes Market / Foodcourt (operating daily)	55	Vegetable/Meat/Fish/cakes & Haberdashery
Victoria Fair (Sundays only)	284	Haberdashery/Vegetable, Food, Egg, Flower, Fish, Spice
Cooperative Fairs (1st Monday of each month, except in December) operating at Quatre Bornes Fair	-	Artisanal goods - Haberdashery (locally manufactured)

3. Cemetery and Incinerator /Cremation Ground

- ☐ The only cemetery jointly managed by the Municipal Councils of Vacoas/Phoenix and Municipal Council of Quatre Bornes is the Trois Mamelles Cemetery.

Number of burials is effected from July 2019 to June 2020 – 41 is operational.

- ☐ A LPG propelled incinerator, satisfying all the environment laws is operational at Cremation No. 1 Avenue, Palma.

A newly proposed incinerator has been set up at Berthaud Avenue within existing cremation ground but not yet operational.

Number of incineration carried out from 01 July 2019 to 30 June 2020 ► 214

Three cremation grounds (under traditional pyres) exist at:

- ▶ Trianon
- ▶ Berthaud Avenue
- ▶ Gandhi (Cremation No. 1 Avenue) (not operational)

4. Rodent Control

Rodent control is done by private contractor.

Control of rats

Baits are placed alongside the roadsides, green spaces, municipal premises, market/fair, traffic centres.

Frequency varies depending on sites ▶ Weekly or monthly

5. Economic operators

There were 6468 economic operators plying their trade within the township up to 31 December 2020.

6. Traffic Centre

- Two traffic centres ▶ Jules Koenig Traffic Centre
Louvet Traffic Centre

Sweeping is carried out on a daily basis at the above-mentioned site.

7. Paid Public Toilets: Managed by Private Contractors

- Vacoas Road, La Louise, near Guy Rozemont Stadium.
- Sir William Newton Avenue

8. Services provided during confinement period of Covid-19.

Services provided by the Council, being essential services, arrangement were made during the confinement and post-confinement period to ensure the following:

- ❑ Normal scavenging service, including daily removal of wastes at Victoria Hospital.
- ❑ Regular cleaning and disinfection of public places, namely markets Municipal halls, traffic centres and bus stops.



CLEANING AND DISINFECTION OF QUATRE BORNES MARKET/FAIR



CLEANING AND DISINFECTION OF BUS STOPS

9.2.5 PROGRAMME 5 - PROMOTION OF SPORTS, WELFARE, EDUCATION AND CULTURAL DEVELOPMENT

WELFARE DEPARTMENT

The Welfare department is responsible for all matters pertaining to the organisation of welfare, social, recreational, educational, sports and cultural activities decided by the Council for the benefit of the inhabitants of the Municipal Council.

The Main objectives of the Welfare Department are as follows:

- **Provision for social and cultural activities**
 - Every person shall have the opportunity to practice recreational, educational, sports activities, regardless of his / her gender, age, disability / Ability, socio economic and cultural backgrounds.
 - Organisation of social activities to promote well-being of the population, thus preventing youngsters to be indulged in illicit activities or falling in other Social Halls
- **Provision of free pre-primary education**
 - Every person shall have the opportunity to be educated.
- **Promotion of sports and support to Local Sport Teams**
 - Promotes of Sports Activity help the population to be healthier and to keep fitness
 - The collaboration of stake holders to be sought with a view to promoting social activities and healthy living.
- **Enhance literacy by facilitating access to Books, Magazines, Internet ...etc**
- **Rehabilitation of Playing Grounds and Green Spaces**
 - Organisation of campaigns to combat gender-based violence, drugs and substance abuse, poverty alleviation...etc.

9.2.5.1 SOME OF THE MAJOR ACTIVITIES ORGANIZED

LIST OF ACTIVITIES 2019/2020

S.N	ACTIVITY	DATE	VENUE
1.	Reward Ceremony for Laureates (2018)	08.07.19	Town Hall
2.	Parcours de la Flamme i.c.w Indian Ocean Island Games	11.07.2019	Municipal Yard
3.	Sharwani Mass	17.07-15.08.2019	Township
4.	Assumption- Distribution of cakes in homes	15.08.2019	Township
5.	Raksha Bandhan in collaboration with Brahma Kumaris World Spiritual University	15.08.2019	Mayor's Office
6.	Award Ceremony i.c.w Indian Island Games 2019	30.08.2019	Town Hall Reception Hall
7.	Ganesh Chaturthi	02.09.2019	Township
8.	Durga Puja	04.10-12.10.2019	Township
9.	Shri Venkateshwara	08.09-08.10.2019	Township
10.	Govinden Celebration	21.09-12.10.2019	Township
11.	Inter-Region Domino Tournament	Oct 2019	Town Hall
12.	Final Inter Region Domino Tournament	24.11.2019	Town Hall
13.	Carrom Tournament	24.11.2019	Town Hall
14.	Divali Celebration	27.10.2019	Quatre Bornes Bus Station
15.	Inter Region Beach Volley Tournament	01.12.2019	La Cambuse Public Beach
16.	Badminton Tournament	7-8.12.2019	Ebene Gymnasium
17.	7 a side Football Festival	8.12.2019	Guy Rozemont Stadium
18.	Christmas Celebration	21.12.2019	Town Hall Reception Hall
19.	Thaipooosam Cavadee	08.02.2020	Township Area
20.	Mahashivratrete Festival- Distribution of food to pilgrims	21.02.2020	Municipal Yard
21.	Chinese Spring Festival	28.02.2020	Town Hall Reception Hall
22.	Flag Raising Ceremony	11.03.2020	Municipal Yard



PARCOURS DE LA FLAMME (11 JULY 2019)



PARCOURS DE LA FLAMME (11 JULY 2019)



PARCOURS DE LA FLAMME (11 JULY 2019)



AWARD CEREMONY ICW INDIAN OCEAN ISLAND GAMES (30 AUGUST 2019)



DOMINO TOURNAMENT (24 OCTOBER 2019)



INTER REGION BEACH VOLLEY (1 DECEMBER 2019)



BADMINTON TOURNAMENT (7 DECEMBER 2019 & 8 DECEMBER 2019)



7 A SIDE FOOTBALL TOURNAMENT (8 DECEMBER 2019)



CHRISTMAS CELEBRATION 2019 (21 DECEMBER 2019)



FLAG RAISING CEREMONY (11 MARCH 2020)



FLAG RAISING CEREMONY (11 MARCH 2020)

9.2.5.2 MUNICIPAL CENTERS ARE UNDER THE CARE AND RESPONSIBILITY OF THE WELFARE DEPARTMENT

MUNICIPAL RECEPTION HALLS

- Belle Rose,
- Town Hall Building,
- Pavillon Hall and
- Marie Marot Activity Centre

KINDERGARTENS

- Bassin,
- Belle Rose and
- Residence Père Laval

SOCIAL HALLS

- SSR Hall at Ollier
- Cardinal Jean Margeot- St Jean Housing Estate
- Shrimati Indira Gandhi-Palma
- James Burty David - Sodnac
- Nelson Mandela-Berthaud
- Basdeo Bissonndoyal-Bassin

- **Pellegrin**
- **Ebene**
- **Residence Kennedy**
- **Sir Gaetan Duval at Residence Pere Laval**

CHILDREN PLAYGROUNDS

- **Town Hall yard**
- **Hiliary Blood, Candos**
- **Ebene**
- **Nelson Mandela, Berthaud**
- **Residence Kennedy**
- **Jeewoonarain Avenue, Palma**
- **Beau Sejour**
- **Residence Pere Laval**
- **Residence St Jean**
- **Sodnac**
- **Ollier**
- **Palma**
- **Potaya green space**
- **La Source**

MINI SOCCER

- **Pavillon**
- **St. Jean -Cardinal Margeot**
- **Ollier**

STADIUM

- **Guy Rozemont Stadium- La Louise**

FOOTBALL PLAYGROUNDS

- **Residence Kennedy**
- **Ebene**
- **Pavillon**
- **Residence St Jean**
- **SVR Football Playground**
- **Baichoo Madhoo Football Playground**
- **Emilien Rochecouste**
- **Palma**

<ul style="list-style-type: none"> ➤ La Source ➤ Pere laval
<div>VOLLEYBALL GROUNDS</div> <ul style="list-style-type: none"> ➤ J.R.Delaitre- Pavillon ➤ Pere laval
<div>PETANQUE PITCHES</div> <ul style="list-style-type: none"> ➤ Palma ➤ Bassin ➤ La source ➤ Sodnac ➤ Pavillon ➤ Kennedy
<ul style="list-style-type: none"> ➤ 1 GYMNASIUM at Ebene with Volleyball pitches and Badminton Courts

10.0 THIRD TRANSITIONAL IPSAS FINANCIAL STATEMENTS

Statement of Financial Position as at 30 June 2020

	Notes	2019/2020 Rs	2018/2019 Rs
Assets:			
<u>Current Assets</u>			
Cash and Cash Equivalents	3	23,515,735	29,625,651
Investments	4	315,642,172	310,352,425
Receivables from Exchange Transactions	5	1,833,413	12,465,011
Receivables from Non-Exchange Transactions	6	26,856,934	22,661,412
Inventories	7	2,757,498	2,916,010
Total Current Assets		370,605,751	378,020,509
<u>Non-Current Assets</u>			
Intangible Assets	8	303,143	412,420
Long Term Receivables from Exchange Transactions	9	3,580,244	3,315,758
Long Term Receivables from Non-Exchange Transactions	10	49,109,651	55,142,362
Property, Plant and Equipment	11	2,242,425,925	1,315,115,337
Investment Property	11	73,761,729	-
Total Non-Current Assets		2,369,180,692	1,373,985,877
TOTAL ASSETS		2,739,786,444	1,752,006,386
<u>Liabilities</u>			
<u>Current Liabilities</u>			
Trade and Other Payables from Exchange Transactions	12	38,466,605	51,731,660
Refundables Deposits from Customers	13	9,175,835	8,835,153
Employee Benefits Obligations	14	57,595,769	59,531,816
Payments Received In Advance	15	9,346,384	14,500,241
Taxation			
Total Current Liabilities		114,584,593	134,598,870
<u>Non-Current Liabilities</u>			
Non-Current Provisions	16	1,857,288	1,857,286
Trade and Other Payables from Exchange Transactions	12	7,681,549	-
Non-Current Employee Benefits Obligations	17	715,486,981	541,819,875
Total Non-Current Liabilities		725,025,817	543,677,161
TOTAL LIABILITIES		839,610,410	678,276,031
NET ASSETS		1,900,176,033	1,073,730,355
<u>NET ASSETS/EQUITY</u>			
Reserve		749,670,370	749,504,424
Accumulated Surplus		1,150,505,663	324,225,931
NET ASSETS		1,900,176,033	1,073,730,355

Approved by Council at its meeting of 28 October 2020


Nagen MOOTOOSAMY
His Worship THE MAYOR

The notes 1 to 90 are an integral part of the Financial Statements


Toolambah NARSINGHEN (Mrs)
Ag. CHIEF EXECUTIVE

Statement of Financial Performance for Year Ended 30 June 2020

(Classification of Expenses by Nature)

	Notes	2019/2020 Rs	2018/2019 Rs
<u>Revenue From Non-Exchange Transaction</u>			
General Rate	18	50,983,822	50,918,054
Trade Fees	19	28,030,325	28,275,200
Advertising And Publicity Fees	20	1,227,335	1,793,825
Fines, Penalties And Levies	21	1,417,195	30,815
Building and Land Use Permit	22	3,060,315	15,510,905
Government Grant	23	329,594,660	327,422,643
Public Contributions and Donations	25	12,559,518	83,099
Total Revenue from Exchange Transactions		426,873,170	424,034,541
<u>Revenue From Exchange Transactions</u>			
Rental Income	25	31,921,278	35,312,572
Bus Toll Fees	26	806,500	781,000
Burial and Incineration Fees	27	574,800	607,700
Finance Income	28	6,172,074	7,013,064
Other Income	29	1,209,415	1,132,666
Total Revenue from Non Exchange Transactions		40,684,066	44,847,002
TOTAL REVENUE		467,557,237	468,881,543
EXPENSES			
Compensation Of Employees	30	272,535,029	267,865,750
Remuneration Of Councillors	32	4,572,516	4,286,805
Pensions and Gratuities	33	2,558,687	7,417,072
Pension Charge as per IPSAS 39	31	33,728,654	43,113,436
Utilities Cost	34	25,147,355	25,287,219
Motor Vehicle Expenses	35	8,972,198	8,624,565
Repairs And Maintenance	36	3,500,326	2,960,416
Hired and Contracted Services	37	6,920,072	6,368,003
Sports, Welfare and Cultural Activities	38	2,003,603	2,687,639
Grants And Subsidies	39	622,232	976,157
Professional And Legal Fees	40	1,679,322	1,507,529
Depreciation and Amortisation	41	144,214,338	17,502,577
General Expenses	42	12,977,393	24,917,024
TOTAL EXPENSES		519,431,726	413,514,192
Deficit/Surplus before Other Gains/(Losses)		(51,874,489)	55,367,351
Other Gains/(Losses):			
Loss on disposal/scrap of assets	43	(421,154)	(70,106)
Revaluation	8,11	1,727,324	-
Unrealised gain/(loss) on fair value of financial instruments	87(i) (ii) (iii)	(122,923)	-
Credit loss allowance	86(iii)	(66,611,891)	-
Total		(65,428,644)	(70,106)
Deficit/Surplus		(117,303,133)	55,297,245

Cash Flow Statement for Year ended 30 June 2020

	2019/2020	2018/19
	Rs	Rs
<u>Cash Flows From Operating Activities</u>		
<u>Receipts</u>		
Trade Fee	22,140,875	21,742,675
General Rate	35,038,190	50,655,379
Public Contributions and Donations	-	83,099
License and Permits	3,391,669	15,510,906
Government Grants	330,816,090	322,400,837
Finance Income	16,659,957	370,429
Other Income, Rental and Agency Fees	35,993,981	47,448,841
TOTAL REVENUE	444,040,762	458,212,166
<u>Payments</u>		
Compensation of Employees	283,829,626	271,659,864
Remuneration of Councillors	4,426,750	4,387,924
Goods and Services	56,066,855	56,981,492
Rent Paid	2,261,140	575,000
Pensions and Gratuities	34,612,986	36,913,776
Grants and Subsidies	1,259,945	1,908,803
Other Payments	2,686,864	3,466,285
TOTAL PAYMENTS	385,144,165	375,893,144
Net Cash Flows from Operating Activities	58,896,597	82,319,022
<u>Cash Flows From Investing Activities:</u>		
Purchase of Property, Plant and Equipment	(62,455,111)	(50,031,722)
Proceeds from Sales of Property, Plant & Equipment	2,448,598	(25,000,000)
Increase in Investments	(5,000,000)	-
Total Cash Flows from Investing Activities	(65,006,512)	(75,031,722)
Net Increase/(Decrease) in Cash and Cash Equivalent	(6,109,916)	7,287,300
Cash and cash equivalents at beginning of Period	29,625,651	22,338,351
Cash and cash equivalents at end	23,515,735	29,625,651

Statement of Changes in Net Assets/Equity as at 30 June 2020

	Note	Reserves	Accumulated Surplus	Total
		Rs	Rs	Rs
Restated Opening Balance as at 01.07.2018		747,971,831	247,959,279	995,931,110
Surplus for the year		-	55,297,245	55,297,245
Payment out of fund		(97,524)	-	(97,524)
Remeasurement of Pension Liability		-	20,232,042	20,232,042
Transfer from Interest re-invested	17(b)	231,252	-	231,252
Adjustment		-	737,365	737,365
Penalties		1,398,865	-	1,398,865
Closing Balance as at 30.06.2019	17(b)	749,504,424	324,225,931	1,073,730,355
Opening Balance as at 01.07.2019		749,504,424	324,225,931	1,073,730,355
Surplus/Deficit for the year		-	(117,303,133)	(117,303,133)
Remeasurement of Pension Liability		-	(182,326,125)	(182,326,125)
Revaluation		-	1,628,157,064	1,628,157,064
De-recognition of vested land accounted by Accountant General		-	(552,350,791)	(552,350,791)
Transfer from Interest re-invested	17(b)	165,946	-	165,946
Adjustment to opening debtors		-	(283,683)	(283,683)
Adjustment to car loan capital		-	(4,514)	(4,514)
Tenant Tax prepayments			190,358	190,358
Excess provision of expenses written off		-	188,756	188,756
Stale cheques written back/reversed		-	11,800	11,800
Reversal of Provision for bad debts		-	50,000,000	50,000,000
Closing Balance as at 30.06.2020	17(b)	749,670,370	1,150,505,663	1,900,176,033

Statement of Comparison of Budget & Actual amounts as at 30 June 2020

Particulars	Original Budget	Virement	Final Budget	Note	Actual	Performance Difference	Note
Revenue (non Exchange)	Rs	Rs	Rs		Rs	Rs	
General Rates	49,100,000	-	49,100,000		50,983,822	1,883,822	56
Trade Fees	23,100,000	-	23,100,000		28,030,325	4,930,325	57
Advertising And Publicity Fees	2,200,000	-	2,200,000		1,227,335	(972,665)	58
Fines, Penalties And Levies	40,000	-	40,000		29,217	(10,783)	
Building and Land Use Permit	5,900,000	-	5,900,000		3,060,315	(2,839,685)	59
Government Grant In Aid	282,000,000	-	282,000,000		286,554,000	4,554,000	60
Total Revenue (non Exchange)	362,340,000	-	362,340,000		369,885,014	7,545,014	
Revenue (Exchange)							
Rental Income	36,000,000	-	36,000,000		31,921,278	(4,078,722)	61
Bus Toll Fees	810,000	-	810,000		806,500	(3,500)	
Burial And Incineration Fees	710,000	-	710,000		574,800	(135,200)	62
Finance Income	6,600,000	-	6,600,000		6,172,074	(427,926)	63
Other Income	7,647,700	-	7,647,700		1,209,415	(6,438,285)	64
Total Revenue (Exchange)	51,767,700	-	51,767,700		40,684,066	(11,083,634)	
Total Revenue	414,107,700	-	414,107,700		410,569,080	(3,538,620)	
Expenses							
Compensation Of Employees	296,863,450	1,454,000	298,317,450	46	272,535,029	25,782,421	65
Remuneration Of Councillors	4,750,000	50,000	4,800,000	47	4,572,516	227,484	
Pensions and Gratuities	33,000,000	-	33,000,000		2,558,687	(3,287,341)	
Pension Charge as per IPSAS 39	-	-	-		33,728,654		66
Utilities Cost	27,789,200	-	27,789,200		25,147,355	2,641,845	67
Motor Vehicle Expenses	11,102,250	770,000	11,872,250	48	8,972,198	2,900,052	68

Repairs And Maintenance	5,927,000	75,000	6,002,000	49	3,500,326	2,501,674	69
Hired and Contracted Services	9,391,000	200,000	9,591,000	50	6,920,072	2,670,928	70
Sports, Welfare and Cultural Activities	4,495,000	-	4,495,000		2,003,603	2,491,397	71
Grants And Subsidies	1,305,000	-	1,305,000		622,232	682,768	72
Professional And Legal Fees	1,725,000	200,000	1,925,000	51	1,679,322	245,678	73
General Expenses	16,460,300	855,000	17,315,300	52	12,856,947	4,458,353	74
Office & IT Equipment	618,000	125,000	743,000	53	295,119	447,881	75
Office Furniture & Fittings	481,500	200,000	681,500	54	434,943	246,557	76
Minor Capital Project	200,000	625,000	825,000	55	740,084	84,916	77
Total Expenses	414,107,700	4,554,000	418,661,700		376,567,088	31,828,698	
Surplus					34,001,992		

Reconciliation of Actual figures in Budget with Statement of Financial Performance

	Rs
Surplus as per Budget Statement	34,001,992
Penalties on Projects	1,387,978
Other Government Grant	3,071,642
Capital Grant	39,969,018
Public Contributions And Donations - Compactor Lorries	12,559,518
Depreciation and Impairment	(144,214,338)
Loss on Disposal	(421,154)
Fair Value gain/(loss)	(122,923)
Revaluation of assets	1,727,324
Credit loss allowance	(66,611,891)
Furniture and Equipment capitalised	1,349,700
Deficit as per Statement of Financial Performance	(117,303,133)

Notes to the Accounts for Year Ended 30 June 2020

1) General Information

The Municipal Council of Quatre Bornes is a corporate body established under the Local Government Act 2011, Part II Section 3 and 6/7. The place of management is at St Jean, Quatre Bornes.

2) (a) Basis of Preparation and Statement of Compliance_

The Ministry of Finance and Economic Development decided that all Local Authorities shall prepare their Financial Statements in accordance with IPSAS (International Public-Sector Accounting Standards) accrual basis with effect from 1st July 2017. Pursuant to the above, the Municipal Council of Quatre Bornes has prepared the Financial Statements for financial year ended 30 June 2020 in compliance with Section 132 and 133 of the Local Government Act 2011 and in compliance as listed below IPSAS's, including the adoption of the exemptions provided in the Standard that affect fair presentation and compliance with accrual basis IPSAS's.

The Financial Statements are presented in Mauritian Rupees and all values are rounded to the nearest rupee. The statements have been prepared on an accrual and going concern basis and on the basis of historic cost convention, unless stated otherwise.

The Council has three years as transitional period as from financial year 2017/2018 with full adoption of IPSAS for financial year 2019/20. The following standards have been adopted by the Council for this financial year:

IPSAS 1 - Presentation of Financial Statements

IPSAS 2 - Cash Flow Statements

IPSAS 3 - Accounting Policies, Changes in Accounting Estimates and Errors

IPSAS 9 - Revenue from Exchange Transactions

IPSAS 12- Inventories

IPSAS 13- Leases

IPSAS 14- Events after Reporting Date

- IPSAS 17 - Property, Plant and Equipment
- IPSAS 19 - Provisions Contingent Liabilities and Contingent Assets
- IPSAS 20 - Related Party Disclosures
- IPSAS 21 - Impairment of Non-Cash-Generating Assets
- IPSAS 23 - Revenue from Non-Exchange Transactions (Taxes and Transfers)
- IPSAS 24 - Presentation of Budget Information in Financial Statements
- IPSAS 31 - Intangible Assets
- IPSAS 33 - First Time Adoption of Accrual Basis IPSAS's
- IPSAS 39 - Employee Benefits
- IPSAS 41 - Financial Instruments (Replacing IPSAS 29)

(b) Significant Accounting Policies

I. Presentation of Financial Statement-IPSAS 1

The Financial Statement Comprises of the following:

- Statement of Financial Position
- Statement of Financial Performance
- Statement of Cash Flows
- Statement of Changes in Net Assets/Equity
- Statement of Comparison of Budget and Actual Amounts
- Notes to the Accounts

Comparative Information

Comparative figures for the previous period are presented in the Financial Statements.

II. Cash Flow Statements-IPSAS 2

The Statement has been prepared using the direct method. In this regard, a reconciliation of Net Cash Flows from Operating Activities to Surplus has been prepared for the Financial Year.

III. Revenue Recognition

The general policy of the Council is to recognize revenue on an accrual basis. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Council. 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 arises 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 are no exchange of approximate direct benefits or value between receiving and giving entities.

Revenue from Exchange Transactions

(i) Bus toll fee

Bus toll fee is payable by every bus owner using the traffic centers and the fee is accounted for as income on an accrual basis. It is payable to Council one month in advance.

(ii) Rental income

Rental income refers to revenue earned from leasing out properties belonging to the Council. The rental is of operating nature and comprises rental mainly from Markets and Fairs, Sports complexes, reception halls, social halls, residential and commercial complexes.

The Revenue is recognized on an accrual basis with the exception of the following i.e. rental from sports complexes, social halls and reception halls, which are recognised on the actual collection of rental.

(iii) Finance Income

The finance income earned is calculated using the fixed interest rate and is apportioned based in accordance with the agreement.

The income generated from investment of the Passage Fund is not accounted in the Statements of Financial Performance in compliance with Section 81 (5)(b) of the Local Government Act 2011.

(iv) Burial and Incineration fees

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

(v) Other Income

All other income is recorded on actual basis that is, based on actual amount collected.

Revenue from Non-Exchange Transactions

(i) General Rate

The General Rate is levied on an owner of any immovable property situate in the rating area of the Council as per the Local Government Act 2011 Section 95. The rate is annually paid by the resident. If the rates are unpaid, penalty is applied on the due amount. The rate is recognized on an accrual basis in the Statement of Financial Performance.

(ii) Trade fee

Trade fee is payable whenever an economic operator or any person carries out a classified trade as stipulated by the Local Government Act 2011 Section 122 (2). It is an offence to carry out such trade without the payment of the appropriate fees. The fee is payable twice annually and if not paid, a surcharge of 50% is applied. The income is recognized on an accrual basis except for occasional fee which is recognized on cash basis.

(iii) Government Capital grants

Government Capital grant is recognized fully in the year it is received in accordance with IPSAS.

(iv) Government Grant

Government grant are transfers received from Central Government for the purpose of giving immediate financial support to the Council with no future related costs. They are recognized in the statement of financial performance in the period in which they become receivable. An amount of Rs 274,000,000 has been disbursed to meet recurrent expenses and Rs 49,736,885 to meet capital expenses.

(v) Building and Land Use Permit

The Building and land use permit fees are recognized based on actual amount received or collected in the Statement of Financial Performance.

IV. Property, Plant and Equipment

An item of property, plant and equipment is recognized as an asset when it is probable that future economic benefits will flow to the Council and the cost or fair value of the asset can be measured reliably.

Since we are in a transitional period, we have a 3 years' period to recognize all our Property, Plant and Equipment. For financial year 2017/18, we had recognized the Motor Vehicles and Computer & IT Equipment. For financial year 2018/19, we have recognized Furniture, Fixtures & Fittings and Machinery & Equipment at Fair Value less depreciation. For other assets, no depreciation has been charged and have been presented at cost in the Financial Statements. Public Infrastructure assets, Land and buildings will be recognized at Fair Value in Financial year 2019/20. Investment Properties categorized under buildings will be treated as investment properties in Financial year 2019/20.

For Furniture, Fixtures & Fittings and Machinery & Equipment , an independent report of the fair value of the assets has been submitted by the Office Superintendent Officer (OS) of the Council. The assets are stated Fair Value and has been depreciated. Impairment loss has been recognized in the Reserves on 1st July 2018.

Depreciation is charged so as to write off the cost of fixed assets less any residual value at the annual estimated rates over their useful lives, using the straight-line method. The estimated useful lives, residual value and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. Full depreciation is charged in year of acquisition and no depreciation in year of disposal.

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.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the surplus or deficit in the statement of financial performance.

The annual rates used in the calculation of depreciation using the straight-line method are:

Buildings	-	2% per annum
Public Infrastructure	-	2% - 10% per annum
Computer and IT Equipment	-	25% per annum

Furniture, Fixture & Fittings	-	10% per annum
Machinery & Equipment	-	5% - 25% per annum
Motor Vehicles	-	10% per annum

V. **Investment Property**

Investment Properties have been recognized and measured at fair value as at 30 June 2020 by an independent Chartered Land Valuer. Gains or losses arising from subsequent fair value exercise will be accounted through surplus/deficit in the period it arises.

VI. **Intangible Assets**

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

The intangible asset has been recognized at fair value less accumulated depreciation.

VII. **Inventories**

Raw materials are accounted for at purchase cost and issues are accounted on First In First Out basis. The cost of our inventories has been assigned using the weighted average cost basis. Inventory received free or at nominal cost in a non-exchange transaction is recognized at fair value at the date of acquisition. After initial recognition, inventory is measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price or the market price less the estimated costs of completion of the sale, exchange or distribution.

At the close of the financial year, a stock take was carried for all of our store and non-store items and a stock adjustment was charged to the Statement of Financial Performance. Inventories are recognized as an expense when issued for utilization and consumption in the provision of services and administration of the Council.

Inventories (obsolete) written off is recognized as an expense and is reported in general expenses.

VIII. Financial Instruments

Financial Assets:

Financial Assets are the lifeblood of any entity and are used in most routine transactions. The financial assets of the Council consist of Accounts Receivables, Loans receivable (including concessionary loans) and Investment Certificates (Treasury Bills). They are classified as financial assets under current assets if payment is due within one year. Otherwise, they are presented under non-current assets.

Statutory receivables and prepayments are not considered as financial assets and are classified under Current Assets.

(a). Accounts Receivable

Accounts Receivable are stated at fair value through surplus or deficit at the average market rate of 5% p.a on initial recognition at 30 June 2020.

Expected Credit Loss:

The 12-months expected credit losses at origination are recognised in surplus or deficit. It represents the portion of lifetime ECL that represent the ECL that result from default events that are probable in the next 12 months after the reporting date. Lifetime expected credit loss are an expected present value measure of losses that arise if a borrower defaults on the obligation throughout the life of the financial instrument.

(b). Loans Receivable

In accordance with section 18.2.41 of the PRB Report 2016, public officers are eligible for loan facilities based on their entitlement for the purchase of a motor vehicle. As from 1 June 2016 all loans advanced are at interest rate of 4% p.a which is considered as a concessionary loan. The interest rate for such type of loan in a commercial market is estimated to be 5%. The Loan receivable is measured at amortised cost and the initial recognition is on 30 June 2020.

(c). Investments

Our investments comprise of Government of Mauritius Treasury Certificates held with the Bank of Mauritius for a period of 182-Days at a fixed rate. The interest is payable upon maturity, but the Council recognized the interest on an accrual basis to measure investment at fair value in accordance with IPSAS 41.

Financial Liabilities:

Financial liabilities are routinely used in daily transactions. The financial liabilities of the Council include **Accounts Payables** and are stated at Fair value through surplus or deficit at the average market rate of 5% p.a on initial recognition at 30 June 2020. They are classified as financial liabilities under current liabilities if payment is due within one year. Otherwise, they are presented under non-current liabilities. Prepayments and Refundable Deposits are not considered as financial liabilities.

Effective Date: The effective date of IPSAS 41 is 1 January 2022 and the Council has elected an earlier adoption.

IX. 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.

X. Retirement Benefit Costs

The Council contributes to the following pension schemes:-

Defined Benefits Pension Plan

Provision for retirement pension benefits has been made under the Statutory Bodies Pension Funds Act of 1978 as amended. The scheme is a Defined Benefit Pension Plan and its assets are managed by the State Insurance Company of Mauritius Ltd.

The present value of the funded obligations is recognised in the Statement of Financial Position as a non-current liability after adjusting for the fair value of plan assets, any unrecognized past service cost. The valuation of these obligations is carried out on a regular basis by the actuarial services of SICOM Ltd.

Defined Contribution Pension Scheme

A Defined Contribution Pension Scheme has been set up with effect from 1 January 2013 following amendment to the Statutory Bodies Pension Funds Act 1978. As from 1 January 2013, new recruits join the scheme and contribute 6% of their salaries and the council's contribution to the scheme is 12% of the gross emoluments. These contributions are expensed in the Statement of Financial Performance in the period they relate.

National Savings Fund/National Pension Fund

The Council contributes 2.5% of gross emoluments (up to a maximum of Rs 425.00 per employee) to the fund on a monthly basis. This Fund is utilized for payment of lump sum to employees upon their retirement. This expense is charged to Statement of Financial Performance.

Contribution Sociale Generalisee (CSG)

The government has introduced a new participative and collective system of social contribution, the Contribution Sociale Generalisee applicable as from the month of September 2020. The rate of contribution under CSG for the Public Sector is 4.5% for salary not exceeding Rs50,000 and 9% for salary above Rs50,000 in a month.

XI. Long Term Benefits Obligation

Long term entitlement to Sick Leaves, Vacation Leaves and Passage Benefits have been recognized as a liability in the Statement of Financial Position as the Council has a present legal obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

XII. Nature and Purpose of Reserves

The Council maintains the General Fund and Passage Fund reserves.

Passage Fund

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

Income derived from investment of the unutilized passage benefit payable to employees of the Council is transferred to equity under the item passage fund.

XIII. Related Parties

Related parties are entities that control or have significant influence over the party in making financial and operating decisions or those who are subject to common control.

Related parties of the Council are:

- Mayor
- Deputy Mayor & Councillors
- Chief Executive Officer
- Head of Departments e.g. Planning Department, Finance Department, Health Department, Public Infrastructure Department and Welfare Department.
- The Government

XIV. Budget Information

The annual budget is prepared on an accrual basis and is presented in Performance Based Budget. The budget is approved by the Ministry of Local Government after having carried out adjustment to the original budgetary provisions.

During the financial year Council carried out monthly budget monitoring exercise to identify the need for any additional funding.

Any major difference between revised and actual expenditure and income is provided in the notes to the financial statements.

XV. Critical Accounting Estimates, Assumptions and Judgement in applying Accounting Policies and Estimates

The preparation of the financial statements in conformity with IPSAS requires the Council 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:

(a). Useful Economic Life and Residual Values

The useful economic 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
- Change in the market in relation to the asset

XVI. Events after Reporting Date

Events that occur between the end of the reporting period and the date when financial statements are authorized for issue are disclosed in the financial statements depending whether they are adjusting or non-adjusting. A non-adjusting event has been disclosed in the notes to the financial statements for the year ended 30 June 2020.

	2019/20	2018/19
	Rs	Rs
3. <u>Cash and Cash Equivalents</u>		
Cash and cash equivalents consist of cash in hand and balances with banks:		
Cash at Bank	21,962,506	29,316,913
Cash In hand	1,553,229	308,737
	23,515,735	29,625,651

Reconciliation of Deficit to Net Cash Flows from Operating Activities:

	2019/20	2018/19
	Rs	Rs
Deficit/Surplus For the Year	(117,303,133)	55,297,245
Loss on disposal	421,154	70,106
Revaluation	(1,727,324)	-
Fair Value loss	122,923	-
Credit loss allowance	66,611,891	
Stale Cheques written back/reversed	11,800	599,492
<u>Add/(less) non-cash items</u>		
Depreciation and Impairment	144,214,338	17,502,577
Increase in provision for doubtful debts	-	10,214,000
Less Penalties on Projects	(1,387,978)	-
Less Public Contributions and Donations	(12,559,518)	-
<u>Add/(less) items classified as investing or financing activities</u>		
Payment out of General Fund	-	95,000
Transfer Interest Accrued/(Received) to Equity	165,946	231,252
<u>Add/(less) movements in statement of financial position items</u>		
(Increase)/Decrease in receivables:		
Receivables from Exchange Transaction	10,631,599	(9,059,218)
Receivables from Non-Exchange Transaction	(4,195,522)	(11,391,470)
Long Term Receivables from Exchange Transaction	(264,487)	2,465,599
Long Term Receivables from Non-Exchange Transaction	6,032,711	(6,674,848)
Fair Value loss	(2,817,664)	-
Credit loss allowance	(66,611,891)	-

Reversal of Provision for Bad Debts	50,000,000	-
Adjustment to Opening Debtors and Car Loan Capital	288,197	-
(Increase)/Decrease in Inventories	158,512	38,871
Stock Adjustment	(21,459)	
<u>Increase/(Decrease) in Employee Benefit Obligations:</u>		
Current Liabilities	(1,936,047)	967,479
Non-Current Liabilities	(8,659,019)	11,081,999
<u>Increase/(Decrease) in Payable:</u>		
Current and Non-Current	2,155,629	1,267,460
Prepayments	(5,153,856)	8,438,762
Deposit	340,682	1,174,716
Excess provision of Creditors	188,756	-
Prepayments transferred to Reserves	190,358	-
Net Cash Flow from Operating Activities	58,896,597	82,319,022

4. Investments

Name of Institution	2019/20 Amount (Rs)	Fixed Interest Rate (%) p.a	Investment Period
Bank of Mauritius	25,000,000	2.30	16.01.2020- 15.07.2020
Bank of Mauritius	90,000,000	2.22	24.01.2020- 27.07.2020
Bank of Mauritius	95,000,000	2.40	26.02.2020- 26.08.2020
Bank of Mauritius	30,000,000	2.25	04.03.2020- 01.09.2020
Bank of Mauritius	75,000,000	2.03	20.03.2020- 20.09.2020
Investment Telethon Fund	352,425		
Finance Income Receivable - IPSAS 41	289,747		
Fair Value of Investments as at 30/06/2020	315,642,172		

5 Receivables From Exchange Transactions-Current

	2019/20	2018/19
	Rs	Rs
Market and Fairs	1,833,413	1,853,328
Finance Income	-	10,611,683
	1,833,413	12,465,011

6 Receivables From Non-Exchange Transactions-Current

	2019/20	2018/19
	Rs	Rs
General Rate	12,030,343	10,500,696
Capital Grant	60,751	2,901,021
Grant Miscellaneous	500,000	640,578
Car Loan	1,744,891	1,849,117
Trade Fees	10,498,950	6,770,000
Trade Fees-from CBRD	2,022,000	-
	26,856,934	22,661,412

7. Inventories

	2019/20	2018/19
	Rs	Rs
<u>7.1 Store Items:</u>		
Diesolene	-	146,603
Sports Equipment	25,372	25,494
Filters for Vehicles	35,027	37,700
Motor Oil for Vehicles	56,179	44,566
Construction Materials	262,474	347,401
Stationery	405,114	434,544
Herbicides	17,860	13,500
Protective Equipment	338,581	226,631
Tools	53,804	69,106
Refreshment Materials	26,747	40,259
Plumbing Materials	32,469	39,454
Spare Parts	373,354	363,907
Cleaning Materials	74,204	96,204
Electrical Materials	546,628	496,527
	2,247,813	2,381,896

7.2 Non Store Items:

Construction Materials	90,938	102,352
Paints	19,938	32,609
Plumbing Materials	34,205	37,737
Electrical Materials	142,188	92,263
Stationery	6,325	8,740
Others (heavy duty tarpaulin, wall tiles, tyre, plyer, etc)	59,174	43,080
Miscellaneous	156,917	217,333

509,685	534,114
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2,757,498	2,916,010
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Total Inventories**8. Intangible Assets**

	2019/20 Rs	2018/19 Rs
	SOFTWARE	
Fair Value as at 01 July	1,237,262	1,237,262
Revaluation	39,540	-
Disposals/scrapped	(51,046)	-
Fair Value as at 30 June	1,225,756	1,237,262
Depreciation		
As at 01 July	824,842	412,421
Charge for the year	131,802	412,421
Disposals/scrapped	(34,031)	-
As at 30 June	922,613	824,842
Net Book Value as at 30 June	303,143	412,420

9. Long Term Receivables From Exchange Transactions

	2019/20 Gross Amount Rs	2018/19 Gross Amount Rs
Bus Toll Fees	238,988	104,188
Market and Fairs	5,223,439	5,160,121
Rental Income	4,895,232	2,051,449
	10,357,659	7,315,758
Less Provisions:		
Market and Fairs	-	3,500,000
Rental Income	-	500,000
	-	4,000,000
Less Credit Loss Allowance:		
Market and Fairs	5,974,881	-
Rental Income	802,534	-
	6,777,415	-
Net Long Term Receivables From Exchange Transaction	3,580,244	3,315,758

10. **Long Term Receivables From Non Exchange Transactions**

	2019/20	2018/19
	Gross Amount	Gross Amount
	Rs	Rs
General Rate	55,535,870	47,730,097
Trade Fees	32,832,782	32,687,282
Tenant Tax	14,518,663	14,518,663
Advertising and Publicity Fees	441,327	589,194
Insurance Receipt	-	188,000
Advances	291,143	32,393
Car Loan	4,511,149	4,519,864
Pensioners	809,463	832,463
Advance Telethon	-	40,000
Others	3,730	4,405
	108,944,127	101,142,361
Less Provisions:		
General Rate	-	16,800,000
Trade Fees	-	14,500,000
Tenant Tax	-	14,400,000
Advertising and Publicity Fees	-	300,000
	-	46,000,000
Less Credit Loss Allowance:		
General Rate	36,583,688	-
Trade Fees	8,315,750	-
Tenant Tax	14,518,663	-
Advertising and Publicity Fees	416,375	-
	59,834,476	-
Net Long Term Receivables From Non Exchange Transaction	49,109,651	55,142,361

11. **Investment Property and Property, Plant & Equipment**

	Investment Property	Land	Buildings	Public Infrastructure	Computer and IT Equipment	Furniture and Fittings	Machinery & Equipment	Motor Vehicles	TOTAL
Cost/Valuation:									
Fair Value at 30.06.2019	-	566,407,476	319,963,566	367,500,707	3,506,380	4,619,908	17,109,321	65,195,484	1,344,302,842
De-recognition of vested land accounted by Accountant General	-	(552,350,791)	-	-	-	-	-	-	(552,350,791)
Reclassification	12,897,256	5,555,885	(57,690,782)	39,237,641	-	-	-	-	0
Impairment loss/Revaluation	52,449,444	1,081,807,500	8,519,186	485,380,929	-	-	-	-	1,628,157,059
Fair Value at 01.07.2019	65,346,700	1,101,420,070	270,791,970	892,119,277	3,506,380	4,619,908	17,109,321	65,195,484	2,420,109,110
Additions	8,415,029	-	6,144,572	39,937,236	1,263,350	668,144	1,915,748	12,169,458	70,513,537
Less write off /Disposals/scrapped		(1,920,070)	-	-	(156,007)	-	(66,138)	(1,350,000)	(3,492,215)
Fair Value at 30.06.2020	73,761,729	1,099,500,000	276,936,542	932,056,513	4,613,723	5,288,052	18,958,931	76,014,942	2,487,130,433
Depreciation and Impairment:									
At 01.07.2019	-	-	-	-	(1,226,660)	(824,092)	(3,479,927)	(23,656,825)	(29,187,504)
Charge for the year	-	-	(10,962,217)	(118,308,158)	(934,239)	(883,406)	(3,672,292)	(9,322,224)	(144,082,536)
Disposals/scrapped	-	-	-	-	116,122	-	23,356	500,000	639,478
Revaluation surplus for the year	-	-	-	-	-	-	877,784	810,000	1,687,784
At 30.06.2020	-	-	(10,962,217)	(118,308,158)	(2,044,777)	(1,707,498)	(6,251,079)	(31,669,049)	(170,942,778)
Net Book Value at 30 June 2020	73,761,729	1,099,500,000	265,974,325	813,748,355	2,568,946	3,580,554	12,707,852	44,345,893	2,316,187,655
Net Book Value at 30 June 2019	-	566,407,476	319,963,566	367,500,707	2,279,720	3,795,816	13,629,394	41,538,659	1,315,115,338

12.	<u>Trade And Other Payables From Exchange Transactions</u>	2019/20	2018/19
		Rs	Rs
		At Fair Value	
	Accounts Payable to Suppliers	21,792,664	17,513,332
	Accruals and Retention Money on Contracts	22,238,946	29,972,255
	Telethon	-	40,000
	Trade Fees	1,321,297	1,430,950
	Electoral Fees	-	1,919,748
	Grants Govt Miscellaneous: Trainee Allowance & Cleaning Environment	795,247	855,375
		46,148,154	51,731,660
		2019/20	
		Rs	
		At Fair Value	
	Trade And Other Payables- (Current Liabilities)	38,466,605	
	Trade And Other Payables - (Non-Current Liabilities)	7,681,549	
		46,148,154	
13.	<u>Refundables Deposits From Customers for the Following: (Current Liabilities)</u>	2019/20	2018/19
		Rs	Rs
	Deposit for Rental of Municipal Buildings	818,930	765,030
	Deposit for Utilities Fees	56,875	2,950
	Deposit for Street Lanterns	257,500	257,500
	Deposit Insurance	660,462	657,962
	Deposit Library	2,039,121	1,993,521
	Deposit Bus	36,000	42,000
	Others	1,014,892	970,135
	Deposit Way Leave	3,028,655	2,974,155
	Deposit Tenders	1,263,400	1,171,900
		9,175,835	8,835,153
14.	<u>Employee Benefits Obligations-Current Liabilities</u>	2019/20	2018/19
		Rs	Rs
	Sick Leaves	2,260,680	7,283,590
	Vacation Leave	2,136,017	1,877,935
	Pension and Gratuities Liabilities	50,199,072	47,870,291
	Passage Liabilities	3,000,000	2,500,000
		57,595,769	59,531,816

15.	<u>Payments Received In Advance-Current Liabilities</u>	2019/20	2018/19
		Rs	Rs
	General Rates	8,963,883	13,138,531
	Advertisement	170,035	858,555
	Lease of Site for Display	159,488	159,488
	Bus Toll	50,000	60,000
	Quatre Bornes Market	-	2,156
	Rent	2,979	91,154
	Tenant Tax	-	190,358
		9,346,384	14,500,241
16.	<u>Non Current Provisions</u>	2019/20	2018/19
		Rs	Rs
	Rodent Control	1,412,686	1,412,686
	Telethon Fund	444,600	444,600
		1,857,287	1,857,286
17(a).	<u>Employee Benefits Obligations-Non Current Liabilities</u>	2019/20	2018/19
		Rs	Rs
	Passage Liabilities	8,552,444	6,770,224
	Pension and Gratuities Liabilities	575,366,094	415,002,034
	Sick Leave Liabilities	64,876,993	50,636,874
	Vacation Leaves Liabilities	66,691,450	69,410,743
		715,486,981	541,819,875
17(b).	<u>Reserves - Passage Fund</u>		
	Reserves include an amount for passage fund as per provision made in the Local Government Act 2011:		
		2019/20	2018/19
		Rs	Rs
	Opening balance 01 July	6,012,552	5,781,300
	Interest received during the year	165,946	231,252
	Closing Balance 30 June	6,178,498	6,012,552

17.(c) Actuarial Report from SICOM
FIGURES FOR IPSAS 39 ADOPTION FOR:
Municipal Council of Quatre Bornes

	Year ending 30 June 2020	Year ending 30 June 2019
	Rs	Rs
Amounts recognised in balance sheet at end of period:		
Defined benefit obligation	992,398,444	783,643,404
Fair value of plan assets	(366,833,278)	(320,771,079)
Liability recognised in balance sheet at end of period	625,565,166	462,872,325
Amounts recognised in income statement:		
Service cost:		
Current service cost	27,770,660	21,186,815
Past service cost	-	-
(Employee contributions)	(10,958,347)	(9,434,521)
Fund Expenses	617,751	518,847
Net Interest expense/(revenue)	16,298,590	30,842,295
P&L Charge	33,728,654	43,113,436
Remeasurement		
Liability (gain)/loss	196,208,319	(26,267,396)
Assets (gain)/loss	(13,882,194)	6,035,354
Net Assets/Equity (NAE)	182,326,125	(20,232,042)
Total	216,054,779	22,881,394
Movements in liability recognised in balance sheet:		
At start of year	462,872,325	488,653,791
Amount recognised in P&L	33,728,654	43,113,436
(Actuarial reserves transferred in)	-	-
(Employer Contributions)	(21,916,694)	(18,869,042)
(Direct Benefits paid by Employer)	(31,445,244)	(29,793,818)
Amount recognised in NAE	182,326,125	(20,232,042)
At end of period	625,565,166	462,872,325

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 independently and administered by The State Insurance Company of Mauritius Ltd.

FIGURES FOR IPSAS 39 ADOPTION FOR:
Municipal Council of Quatre Bornes
For year ending 30 June 2020

	30 June 2020	Year ending 30 June 2019
	Rs	Rs
Reconciliation of the present value of defined benefit obligation		
Present value of obligation at start of period	783,643,404	775,336,008
Current service cost	27,770,660	21,186,815
Interest cost	28,211,163	50,009,172
(Benefits paid)	(43,435,102)	(36,621,195)
Liability (gain)/loss	196,208,319	(26,267,396)
Present value of obligation at end of period	992,398,444	783,643,404
Reconciliation of fair value of plan assets		
Fair value of plan assets at start of period	320,771,079	286,682,217
Expected return on plan assets	11,912,573	19,166,877
Employer contributions	21,916,694	18,869,042
Actuarial reserves transferred in	-	-
Employee Contributions	10,958,347	9,434,521
Fund Expenses	-	-
(Benefits paid + other outgo)	(12,607,609)	(7,346,224)
Asset gain/(loss)	13,882,194	(6,035,354)
Fair value of plan assets at end of period	366,833,278	320,771,079
Distribution of plan assets at end of period		
Percentage of assets at end of period	June 2020	June 2019
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%
Additional disclosure on assets issued or used by the reporting entity		
	June 2020	June 2019
Percentage of assets at end of year	(%)	(%)
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
Components of the amount recognised in NAE		
Year	June 2020	June 2019
Currency	Rs	Rs
Asset experience gain/(loss) during the period	13,882,194	(6,035,354)
Liability experience gain/(loss) during the period	(196,208,319)	26,267,396
	(182,326,125)	20,232,042
Year	2020/2021	
Expected employer contributions	22,442,695	
Weighted average duration of the defined benefit obligation	14	years
(Calculated as a % change in PV of liabilities for a 1% change in discount rate)		

FIGURES FOR IPSAS 39 ADOPTION FOR:

Municipal Council of Quatre Bornes

For year ending 30 June 2020

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:

	Year ending 30 June 2020	Year ending 30 June 2019
Discount rate	3.60%	6.45%
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 As per Second Schedule of the Statutory Bodies	
Retirement age	Pension Funds Act	

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

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

- If the discount rate would be 100 basis points (one percent) higher (lower), the defined benefit obligation would decrease by Rs 122.5 M (increase by Rs 152.6 M) if all other assumptions were held unchanged.

- If the expected salary growth would increase (decrease) by 1%, the defined benefit obligation would increase by Rs 62.1 M (decrease by Rs 53.9 M) if all assumptions were held unchanged.

- If life expectancy would increase (decrease) by one year, the defined benefit obligation would increase by Rs 32.1 M (decrease by Rs 32.5 M) if all assumptions were held unchanged.

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

REVENUE**Revenue from Non-Exchange Transactions**

		2019/20	2018/19
		Rs	Rs
18.	<u>General Rate</u>		
	Local Rate	42,215,371	41,725,525
	Self Assessment	8,768,450	9,192,529
		50,983,822	50,918,054
19.	<u>Trade Fees</u>		
		2019/20	2018/19
		Rs	Rs
	Trade Fees	28,024,325	27,902,500
	Occasional Fees	6,000	372,700
		28,030,325	28,275,200
20.	<u>Advertising And Publicity Fees</u>		
		2019/20	2018/19
		Rs	Rs
	Advertising Fees	1,227,335	1,567,375
	Display Panel	-	226,450
		1,227,335	1,793,825
21.	<u>Fines, Penalties And Levies</u>		
		2019/20	2018/19
		Rs	Rs
	Fines For Books	27,713	29,758
	Fines For Loss of Books/Audio Visual	1,504	1,057
	Penalties on Projects	1,387,978	-
		1,417,195	30,815
22.	<u>Building and Land Use Permit</u>		
		2019/20	2018/19
		Rs	Rs
	Building and Land Use Permit	3,058,315	14,788,248
	Development Permit	2,000	722,658
		3,060,315	15,510,906
23.	<u>Government Grant</u>		
		2019/20	2018/19
		Rs	Rs
	Grant In Aid	286,554,000	274,000,000
	Capital Grant	39,969,018	49,740,719
	Grant Miscellaneous	3,071,642	3,681,924
		329,594,660	327,422,643

24.	<u>Donation</u>	2019/20 Rs	2018/19 Rs
	Public Contributions and Donations	12,559,518	0
	<i>Revenue from Exchange Transactions</i>		
25.	<u>Rental Income</u>	2019/20 Rs	2018/19 Rs
	Market Rent	16,788,717	22,234,902
	Bus Rent	103,000	-
	Housing Rent	8,618,028	6,579,830
	Lease of Sports Complex and Playgrounds	2,236,750	1,781,269
	Lease of Municipal Complexes	4,174,783	4,716,571
		31,921,278	35,312,572
26.	<u>Bus Toll</u>	2019/20 Rs	2018/19 Rs
	Bus Toll	806,500	781,000
27.	<u>Burial And Incineration Fees</u>	2019/20 Rs	2018/19 Rs
	Burial And Incineration Fees	574,800	607,700
28.	<u>Finance Income</u>	2019/20 Rs	2018/19 Rs
	Interest on Car Loan	281,632	216,509
	Interest on Investments and Savings A/c	5,890,442	6,796,555
		6,172,074	7,013,064
29.	<u>Other Income</u>	2019/20 Rs	2018/19 Rs
	Library Fees	27,044	51,745
	Processing Fees	329,600	365,000
	Abnormal Refuse	347,500	185,000
	End of Year Fair	122,500	154,600
	Miscellaneous Income 30(i).	292,031	342,584
	Other Income 30(ii).	90,740	33,737
		1,209,415	1,132,666

29(i) *Miscellaneous Income:*

Court fees	7,665
Attorney fees	5,500
Auction Sales	80,043
Attendant Fee	106,800
Purchase of bins	15,300
Obstruction of roads	71,700
Demolition	500
Loss card	280
Overtime bus	4,143
Renewal lease	100
	<hr/>
	292,031
	<hr/>

29(ii) *Other Income:*

Change date of bookings	140
Insurance Receipts	14,400
Receipts paid public toilet	76,200
	<hr/>
	90,740
	<hr/>

EXPENSES

30.	<u>Compensation of Employees</u>	-	2019/20	2018/19
			Rs	Rs
	Salaries		177,508,879	169,793,719
	Salary Compensation		9,446,086	6,320,834
	Overtime		10,001,517	11,562,142
	Uniform and Protective Equipment		4,394,074	4,100,660
	End of Year Bonus		17,515,112	15,118,055
	Travelling		14,281,607	14,291,846
	Allowances		1,289,267	2,066,832
	Trainee Engineer Allowance		638,507	391,424
	Contribution to Pension Fund	-		2,386,354
	Contribution to Family Protection Scheme		3,842,481	3,713,332
	Contribution to National Pension and Saving Fund		3,855,441	3,636,104
	Provision for Employee Benefits Obligations-Sick Leave		17,340,076	14,690,531
	Provision for Employee Benefits Obligations-Vacation Leave	(73,867)		10,637,344
	Provision for Employee Benefits Obligations-Passage		11,468,844	7,820,637
	Staff Welfare		297,725	315,700
	Training Costs		222,540	110,638
	Insurance -Employees		506,738	909,598
			272,535,029	267,865,750
31.	<u>Pension Charge</u>		2019/20	2018/19
			Rs	Rs
	Pension Charge as per IPSAS 39		33,728,654	43,113,436
32.	<u>Remuneration of Councillors</u>		2019/20	2018/19
			Rs	Rs
	Allowance to Councillors		3,808,308	3,575,064
	Allowance to Mayor		764,208	711,741
			4,572,516	4,286,805

33.	<u>Pensions and Gratuities</u>	2019/20	2018/19
		Rs	Rs
	Gratuities	2,558,687	5,350,510
	Pensions	-	974,445
	Salary Compensation for Pensioners	-	1,092,117
		2,558,687	7,417,072
34.	<u>Utilities Cost</u>	2019/20	2018/19
		Rs	Rs
	Electricity Charges	21,570,320	22,278,923
	Water Charges	1,241,980	936,960
	Waste Water Charges	460,163	552,101
	Telephone Charges	1,874,892	1,519,235
		25,147,355	25,287,219
35.	<u>Motor Vehicle Expenses</u>	2019/20	2018/19
		Rs	Rs
	Fuel, Oil and Tyres Cost	6,006,783	6,643,728
	Repair and Maintenance of Vehicles and Equipment	2,062,889	1,440,954
	Insurance of Vehicles	902,526	539,884
		8,972,198	8,624,565
36.	<u>Repairs And Maintenance</u>	2019/20	2018/19
		Rs	Rs
	Cremation Ground	140	-
		247,246	224,010
	Sports Ground,Children Playground, Parks, Gardens and Equipment		
	IT Equipment	2,402,502	2,024,267
	Street Name Plates and Traffic Centres	34,885	27,804
	Buildings	815,552	684,335
		3,500,326	2,960,416
37.	<u>Hired and Contracted Services</u>	2019/20	2018/19
		Rs	Rs
	Security Services	4,274,044	2,391,415
	Cleaning Services	1,007,094	1,770,134
	Rodent Control	534,608	274,500
	Others (maintenance air conditioners, alarm system, police services, binding services, maintenance incinerator, land surveyor, sanitact bins, etc)	1,104,326	1,931,954
		6,920,072	6,368,003

38.	<u>Sports, Welfare and Cultural Activities</u>	2019/20	2018/19
		Rs	Rs
	Cultural Activities	403,809	1,155,007
	Social Activities	650,849	723,206
	Sports Activities	948,945	809,426
		2,003,603	2,687,639
39.	<u>Grants and Subsidies</u>	2019/20	2018/19
		Rs	Rs
	Grants and Subsidies	622,232	976,157
40.	<u>Professional And Legal Fees</u>	2019/20	2018/19
		Rs	Rs
		-	-
	Audit Fees	425,000	425,000
	Legal Fees	1,070,572	1,060,229
	Court Fees	183,750	22,300
		1,679,322	1,507,529
41.	<u>Depreciation and Amortisation</u>	2019/20	2018/19
		Rs	Rs
	Software	131,802	412,421
	Motor Vehicles	9,322,224	12,090,061
	Furniture & Fixtures	883,406	824,092
	Plant and Equipment	3,672,292	3,479,927
	Computer and IT Equipment	934,239	696,076
	Public Infrastructure	118,308,158	-
	Buildings	10,962,217	-
		144,214,338	17,502,577

42.	<u>General Expenses</u>	2019/20	2018/19
		Rs	Rs
	Administrative Expenses	65,652	87,856
	Advertising	259,468	273,851
	Books And Periodicals	648,716	830,671
	Cleaning Materials	359,018	263,333
	Educational Activities	42,425	97,969
	Entertainment Cost	290,434	444,628
	Environmental Activities	1,498,952	3,067,100
	Fees to Aerobic,yoga and Football Coaching Courses	633,460	637,640
	Furniture, Equipment and Fittings and Repairs	120,446	273,329
	Minor Capital projects	-	170,366
	Insurance -Assets	281,887	269,885
	Materials Cost	3,770,157	4,566,013
	Miscellaneous Expense	452,062	298,033
	Contribution to ADC, CLGF and Others	250,000	-
	Postage Fees	700,000	850,000
	Printing and Stationery	1,443,152	1,346,001
	Provision for Bad Debts	-	10,214,000
	Stock Adjustments	(21,459)	83,054
	Purchase of Bins	42,629	41,220
	Rent	1,686,140	575,000
	Small Plants and Tools	454,256	527,074
		12,977,393	24,917,024

43. **Loss on Disposal**

Disposal of Computer & IT Equipment	2019/20	2018/19
	Rs	Rs
Fair Value as at 01.07	156,007	88,664
Less accumulated depreciation	(116,122)	(18,558)
Loss on disposal	39,885	70,106

Disposal of Machinery & Equipment	2019/20	2018/19
	Rs	Rs
Fair Value as at 01.07	66,138	-
Less accumulated depreciation	(23,356)	-
Loss on disposal	42,782	-

Disposal of Motor Vehicles	2019/20	2018/19
	Rs	Rs
Fair Value as at 01.07	1,350,000	-
Less accumulated depreciation	(500,000)	-
Sale receipts	(528,528)	
Loss on disposal	321,472	-

Disposal/scrap of Software	2019/20	2018/19
	Rs	Rs
Fair Value as at 01.07	51,046	-
Less accumulated depreciation	(34,031)	-
Loss on disposal	17,015	-

44.

Related Party Disclosures

44.1 Remuneration of Key Management Personnel

Mayor and Municipal Councillors, who constitute members of the Council, are considered as related parties as a result of their significant influence on the reporting entity. Key administrative personnel are also considered as related parties which comprise of the following:

Chief Executive
Deputy Chief Executive
Financial Controller
Head of Public Infrastructure Department
Head Land Use and Planning Department
Chief Health Inspector
Chief Welfare Officer

Total emoluments paid during the year to members of Council including Executive Committee, Permit and Business Monitoring Committee (PBMC), and key administrative personnel are as follows:

Description	Number	Total Emoluments 2019/2020 Rs	Number	Total Emoluments 2018/2019 Rs
Mayor, Deputy Mayor and Councillors	20	4,471,375	20	4,359,712
Key Administrative Personnel	7	6,882,336	6	5,932,175
		11,353,711		10,291,887

44.2 Loan to Related Parties:

Car loan to Key Administrative Personnel

	2019/20	2018/19
	Rs	Rs
Opening balance 01 July	1,023,333	500,000
Add loan granted during the year	-	800,000
		276,667
Less loan repaid during the year	423,333	
Closing balance 30 June	<u>600,000</u>	<u>1,023,333</u>

44.3 In-kind benefits

The Mayor is provided with office and secretarial support at the cost of the Council. The Mayor has use of the Council-owned vehicle for official duties.

44.4 Government

The Government is also considered as a related party as a result of its significant influence through the parent Ministry and the Ministry of Finance on the Municipal Council. Government Grants for the year 2019/2020 are as follows:

	2019/20
	Rs
Grant In Aid	286,554,000
Capital Grant	39,969,018
Grant Miscellaneous	<u>3,071,642</u>
	<u>329,594,660</u>

45 Loan to Employees for the purchase of vehicles

	2019/20	2018/19
	Rs	Rs
Opening balance 01 July	6,368,982	6,179,469
Adjustment for year 2018/2019	(4,514)	-
Add loan granted during the year	2,124,660	2,340,000
Less loan repaid during the year	<u>(2,217,141)</u>	<u>(2,150,487)</u>
Closing balance 30 June	<u>6,271,987</u>	<u>6,368,982</u>

Explanatory notes: Difference between Original and Final Budget

46.	Compensation Of Employees	Additional Provision required for Salary Compensation 2020 not provided for in the Estimates.
47.	Remuneration Of Councillors	Additional Provision required for Salary Compensation 2020 not provided for in the Estimates.
48.	Motor Vehicle Expenses	Major repair works to vehicles and additional provision for fuel for Lawnmowers, Brushcutters and three new scavenging vehicles acquired during the year.
49.	Repairs And Maintenance	Additional provision required for major repair works.
50.	Hired and Contracted Services	Additional provision for survey of Land owned by Council.
51.	Professional And Legal Fees	Increase in legal expenses.
52.	General Expenses	Additional Provision required due to Covid-19 for cleaning materials and protective equipment and provision for new crematorium at Berthaud.
53.	Office & IT Equipment	Additional provision for renewal of office and IT Equipment.
54.	Office Furniture & Fittings	Additional provision for renewal of old office furniture and for new employees.
55.	Minor Capital Project	Additional Provision required for minor capital works.

Explanatory notes: Difference between Final Budget and Actual Amount

REVENUE:

56.	Variance arises due to increase in new applications for Self-Assessment Rates during the financial year 2019/20 as compared to 2018/2019.
57.	Variance occurs due to increase in the number of new applications for Trade Fees and in the amount of surcharge generated for the Financial Year.
58.	A reduction in Advertising and Publicity fees has occurred due to the effects of covid-19 and the implementation of the Metro Express project in the town of Quatre Bornes where advertising panels were removed.

59. Due to covid-19, expected development in the town have been delayed thus causing Building Permit Fees to be lesser than estimated.
60. Additional Grant in Aid were received for an amount Rs4,554,000/-to finance PRB Allowance.
61. Some of our vacant spaces/ stalls in our Market and Food Court were still not occupied and Rental Fees were exempted during covid-19 period. Moreover it was observed that many lessees have vacated their commercial spaces or the rental payments were delayed.
62. The decrease in collection of Burial and Incinerator Fees, in our opinion, is mainly due to similar facilities are provided by other Councils.
63. A lower Finance Income has arisen due to lower return on our new investment in treasury certificates at a lower interest rate caused by the impacts of covid-19 on our economy.
64. The internal general fund which was initially earmarked to meet recurrent expenses was not used as the Council has collected sufficient revenue and has made savings on expenses following covid-19 lockdown.

EXPENSES:

65. There is a saving for Compensation of Employees as there was a number of vacant posts which were not been filled during the financial year.
66. Total amount of pension charge has been accounted as per IPSAS 39 amounting to Rs.33,728,654/-
67. The reduction in Utilities Cost is explained by savings in electricity charges due to lesser consumption mainly for municipal buildings due to covid-19 lockdown.
68. Following purchase of new vehicles and three new vehicles received from the Ministry, less repair works were carried out on our fleet of vehicles and some repair works were delayed due to covid-19 lockdown.
69. Less repair works could be carried out on our buildings and other structures following covid-19 lockdown.
70. Due to covid-19 less Hired Services were used during the financial year 2019/2020.
71. Less activities for Sports and Cultural Activities were carried out following covid-19 as prevention and security measures were taken by the government.
72. Variance is due to a reduction in Grant allocation to organisations and covid-19 lockdown as less activities were carried out by the various organisations.

73. Following complete lockdown during covid-19, less services of Legal Attorneys, Barristers, Surveyors were retained.
74. Compare to budgeted amount, savings were made regarding Administrative Expenses, Advertising, Books & Periodicals. Educational and Environmental Activities, Entertainment Cost, utilisation of Materials, Postage Fees, Small Plants and Tools which occurred due to covid-19 lockdown.

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2020

(Classification of Expenses by Function)

		2019/20	2018/19
<u>Revenue From Non-Exchange Transactions</u>	Notes	Rs	Rs
Taxes	75	50,983,822	49,719,028
Fees, fines and penalties	76	1,417,195	30,815
Government Grant	77	329,594,660	327,422,643
Building and Land Use Permit Fees	78	3,060,315	15,510,905
Other Revenue	79	41,817,178	29,836,974
Total revenue from Non- Exchange Transactions		426,873,170	422,520,365
<u>Revenue From Exchange Transactions</u>			
Rent and Royalties	80	31,921,278	34,889,705
Finance Income	81	6,172,074	7,013,064
Other Revenue	83	2,590,715	2,521,366
Total revenue from Exchange Transactions		40,684,066	44,424,135
Total Revenue		467,557,237	466,944,500
<u>Expenses</u>			
Provision and Management of Public Infrastructure Facilities	84	130,412,710	134,779,055
Promotion of Public Health	85	186,401,493	200,864,370
Planning and Development Strategy and Regulation	86	28,679,301	12,290,105
Promotion of Sport, Cultural and Religious Activities	87	29,745,344	37,754,354
Depreciation and Amortisation	88	144,214,338	17,502,577
Other Expenses-Stock adjustment	89	-21,459	10,297,054
Total Expenditure		519,431,726	413,487,515
Deficit/Surplus before Other Gains/(Losses)		(51,874,489)	53,456,985
<u>Other Gains /(Losses)</u>			
Loss on Disposal	43	(421,154)	(70,106)
Revaluation	8, 11	1,727,324	-
Fair Value gain/(loss)	86(i) (ii) (iii)	(122,923)	-
Credit loss allowance	86(iii)	(66,611,891)	
Deficit/Surplus for the year		(117,303,133)	53,386,879

The basis of apportionment is as follows:

		2019/20 Rs	2018/19 Rs
Categories	(%)	Actual Expenses (Rs)	Actual Expenses (Rs)
(1) Provision and Management of Public Infrastructure Facilities	35	68,583,560	68,580,178
(2) Promotion of Public Health	53	106,331,814	102,511,753
(3) Planning and Development Strategy and Regulation	4	8,055,792	6,615,915
(4) Promotion of Sport Cultural and Religious Activities	8	15,612,967	18,840,387
Total	100	198,584,134	196,548,233

The following expenses has been allocated to the above categories and percentage:

	2019/20 Rs	2018/19 Rs
Administration Expenses	164,589,731	178,183,817
Finance Expenses	12,064,981	10,955,832
	176,654,713	189,139,649

Revenue From Non-Exchange Transactions

75. Taxes

	2019/20 Rs	2018/19 Rs
Local Rate	42,215,371	41,725,525
Self Assessment	8,768,450	7,993,503
	50,983,822	49,719,028

76. Fees, fines and penalties

	2019/20 Rs	2018/19 Rs
Fines For Books	27,713	29,758
Fines For Loss of Books/Audio Visual	1,504	1,057
Penalties on Projects	1,387,978	-
	1,417,195	30,815

77. Government Grant

	2019/20 Rs	2018/19 Rs
Grant In Aid	286,554,000	274,000,000
Capital Grant	39,969,018	49,740,719
Grant Miscellaneous	3,071,642	3,681,924
	329,594,660	327,422,643

78. Building and Land Use Permit Fees

Building and Land Use Permit
Development Permit

2019/20**Rs**

3,058,315

2,000

3,060,315**2018/19****Rs**

14,788,248

722,658

15,510,906**79. Other Revenue**

Trade Fees
Occassional Fees
Donation
Advertising Fees
Display Panel

2019/20**Rs**

28,024,325

6,000

12,559,518

1,227,335

-

41,817,178**2018/19****Rs**

27,587,350

372,700

83,099

1,567,375

226,450

29,836,974**Revenue From Exchange Transactions****80. Rent and Royalties**

Market Rent
Bus Rent
Housing Rent
Lease of Sports Complex and Playgrounds
Lease of Municipal Complexes

2019/20**Rs**

16,788,717

103,000

8,618,028

2,236,750

4,174,783

31,921,278**2018/19****Rs**

21,812,035

-

6,579,830

1,781,269

4,716,571

34,889,705**81. Finance Income**

Interest on Car Loan
Interest on Investments and Savings A/c

2019/20**Rs**

281,632

5,890,442

6,172,074**2018/19****Rs**

216,509

6,796,555

7,013,064**83. Other Revenue**

Bus Toll Fees
Burial And Incineration Fees
Library Fees
Processing Fees
Abnormal Refuse
Insurance Receipt
End of Year Fair
Miscellaneous Income
Other Income

2019/20**Rs**

806,500

574,800

27,044

329,600

347,500

14,400

122,500

292,031

76,340

2,590,715**2018/19****Rs**

781,000

607,700

51,745

365,000

185,000

11,112

154,600

342,584

22,625

2,521,366

84. Expenses**2019/2020**

SN.	Details	Provision and Management of Public Infrastructure Facilities	Promotion of Public Health	Planning and Development Strategy and Regulation	Promotion of Sport, Cultural and Religious Activities	Total (Rs)
1	Basic Salary	56,281,427	102,927,774	8,512,585	9,787,093	177,508,879
2	Salary Compensation	2,718,886	5,928,919	371,833	426,449	9,446,086
3	Acting Allowances	159,333	127,414	15,673	28,391	330,810
4	Uniform and Other Protective	1,297,642	2,832,042	132,745	131,646	4,394,074
5	Allowance to Councillors	1,600,381	182,901	2,423,434	365,801	4,572,516
6	Other Allowances	335,460	507,982	38,338	76,677	958,457
7	Grant Allowance to Trainee	223,477	338,409	25,540	51,081	638,507
	Responsibility Allowance	-	-	-	-	-
8	Cash in lieu of Sick Leave	1,750,000	2,650,000	200,000	400,000	5,000,000
9	End of Year Bonus	6,130,289	9,283,009	700,604	1,401,209	17,515,112
10	Travelling and Transport	4,502,989	1,306,353	7,492,107	980,158	14,281,607
11	Overtime	512,008	8,102,053	32,372	1,355,085	10,001,517
12	Staff Welfare	104,204	157,794	11,909	23,818	297,725
13	Local Training, Subscription	77,889	117,946	8,902	17,803	222,540
14	Passage Benefits	1,750,000	2,650,000	200,000	400,000	5,000,000
15	Provisions Employee Benefits Obligations	6,557,268	9,929,578	749,402	1,498,804	18,735,052
16	Contribution to NPF & NSF	1,349,404	2,043,384	154,218	308,435	3,855,441
17	Contribution to FPS	1,344,868	2,036,515	153,699	307,398	3,842,481
18	Electricity and Gas charges	19,319,070	569,802	-	1,681,448	21,570,320
19	Telephone	598,951	917,607	68,452	289,883	1,874,892
20	Water charges	348,093	523,266	-	370,620	1,241,980
21	Waste Water charges	83,457	199,719	-	176,987	460,163
22	Fuel and Oil -Vehicles	948,192	4,842,178	505	215,907	6,006,783
23	Rent	-	1,686,140	-	-	1,686,140
24	Office & IT Equipment	34,417	32,764	4,258	36,335	107,774
25	Office Furniture & Fittings	1,679	2,607	192	8,194	12,672
26	Postages	245,000	371,000	28,000	56,000	700,000
27	Cleaning Materials	124,013	132,376	393	102,236	359,018
28	Office Sundries/Office Incidentals	2,190	275	4,574	-	7,039

29	Maintenance of Buildings	276,710	262,323	-	276,519	815,552
30	Maintenance Plant & Equipment	54,499	-	-	11,709	66,208
31	Maintenance and Repairs of Vehicles	619,245	384	1,429,024	14,235	2,062,889
32	Maintenance IT Equipment	840,876	1,273,326	96,100	192,200	2,402,502
33	Small Plants & Tools	36,132	416,924	-	1,200	454,256
34	Maintenance of Ground	72,538	140	-	108,500	181,178
35	Name Plates & Traffic Signs	34,885	-	-	-	34,885
36	Maintenance of Drains	-	654,036	-	-	654,036
37	Printing and Stationery	399,510	680,553	193,608	169,481	1,443,152
38	Periodicals & Books	204,341	309,430	23,353	111,591	648,716
39	Public Notices	90,814	137,518	10,379	20,757	259,468
40	Publications / Annual Report	20,234	30,639	2,312	4,625	57,810
41	Mission Expenses-Subsistence allowance	281	426	32	64	803
42	Legal & Consultancy fee	439,013	50,173	664,791	100,346	1,254,322
43	Others	-	-	-	595,460	595,460
44	Audit Fees	148,750	225,250	17,000	34,000	425,000
45	Committee Expenses	101,652	153,930	11,617	23,235	290,434
46	Insurance - General & Motor	1,178,544	417,971	31,545	63,090	1,691,150
47	Hired and Contracted Services	1,635,868	284,632	3,181,991	1,817,581	6,920,072
48	Miscellaneous	148,064	33,497	223,914	46,587	452,062
49	Social Activities	-	-	-	639,518	639,518
50	Materials	2,907,247	154,181	710	66,489	3,128,627
51	Cultural Activities	-	-	-	365,140	365,140
52	Sports Activities	-	-	-	986,945	986,945
53	Environmental Activities	-	887,546	-	-	887,546
54	Social Benefits	-	-	-	25,000	25,000
55	Other Expense	-	-	-	-	-
56	Material-Fuel Crematorium	-	641,530	-	-	641,530
57	Educational Activities	14,849	22,485	1,697	3,394	42,425
58	Grants to Association	-	-	-	647,232	647,232
59	Pensions and Gratuities-IPSAS 39	12,700,570	19,232,291	1,451,493	2,902,987	36,287,341
60	Contribution to ADC,CLGF and others	87,500	132,500	10,000	20,000	250,000
		130,412,710	186,401,493	28,679,301	29,745,344	375,238,847

85. Depreciation and Amortisation

	2019/20	2018/19
	Rs	Rs
Software	131,802	412,421
Motor Vehicles	9,322,224	12,090,061
Furniture & Fixtures	883,406	824,092
Plant & Equipment	3,672,292	3,479,927
Computer and IT Equipment	934,239	696,076
Public Infrastructure	118,308,158	0
Buildings	10,962,217	0
	144,214,338	17,502,577

86. Other Expenses

	2019/20	2018/19
	Rs	Rs
Provision for bad debts	-	10,214,000
Stocktake Adjustment	(21,459)	83,054
	(21,459)	10,297,054

87. Financial Instruments**(i). Concessionary Loan to Employees for the purchase of vehicles**

	2019/20	2018/19
	Rs	Rs
Opening balance 01 July	6,368,982	6,179,469
Adjustment for year 2018/2019	(4,514)	-
Add loan granted during the year	2,124,660	2,340,000
Less loan repaid during the year	(2,217,141)	(2,150,487)
Closing balance 30 June	6,271,987	6,368,982
Less repayment in July 2020	(28,200)	
	6,243,787	
Fair value as at 30/06/2020	(6,227,839)	
Expense charge	15,948	

(ii). Accounts Payable

	2019/20	Fair Value	Fair Value
	Rs	Gain at	as at
		Initial	30/06/2020
		Recognition	Rs
		Rs	
Creditors Recurrent	23,014,425	1,221,761	21,792,664
Creditors Capital	23,567,842	1,328,896	22,238,946
Creditors Trade Fees	1,421,200	99,903	1,321,297
Cleaning Environment	176,131	12,381	163,750
Grants Govt Miscellaneous	679,244	47,747	631,497
Total Accounts Payables	48,858,842	2,710,689	46,148,154

	2019/20	Fair Value	Credit Loss
	Rs	Loss at	Allowance
		Initial	Rs
		Recognition	
		Rs	
General Rates	68,457,815	2,435,969	36,583,688
Trade Fees	43,331,732	-	8,315,750
Tenant Tax	14,518,663	-	14,518,663
Advertising and Publicity Fees	442,575	1,248	416,375
Market and Fairs	7,109,933	53,081	5,974,881
Rental Income	5,210,648	315,416	802,534
Bus Toll	250,938	11,950	0
Total	139,322,303	2,817,664	66,611,891

88. Accounts Payable to MRA, Parastatal Bodies and other Government Organisations

From the sum of Rs 48,795,592/- which consist of accounts payable as at 30 June 2020, the amounts due to these organisations are as follows:

	2019/20
	Rs
Central Electricity Board	3,895,230
Central Water Authority	243,456
Government of Mauritius	478,125
Mauritius Revenue Authority	26,684
Mauritius Telecom	443,821
National Pension Fund	320,314
Wastewater Management Authority	168,075
SICOM	73,700
Total	5,649,405

89. Reconciliation of the actual amounts in the Comparison of Budget & Actual Amounts and the Cash Flow Statements

	2019/20
	Rs
Surplus as per Budget Statement	34,001,992
Other Government Grant	3,071,642
Capital Grant	39,969,018
Furniture and Equipment capitalised	1,349,700
Stale Cheques written back/reversed	11,800
<u>Add/(less) items classified as investing or financing activities</u>	
Transfer Interest Accrued/(Received) to Equity	165,946
<u>Add/(less) movements in statement of financial position items</u>	
<u>(Increase)/Decrease in receivables:</u>	
Receivables from Exchange Transaction	10,631,599
Receivables from Non-Exchange Transaction	(4,195,522)
Long Term Receivables from Exchange Transaction	(264,487)
Long Term Receivables from Non-Exchange Transaction	6,032,711
Fair Value loss	(2,817,664)
Credit loss allowance	(66,611,891)
Reversal of Provision for Bad Debts	50,000,000
Adjustment to Opening Debtors and Car Loan Capital	288,197
(Increase)/Decrease in Inventories	158,512
Stock Adjustment	(21,459)
<u>Increase/(Decrease) in Employee Benefit Obligations:</u>	
Current Liabilities	(1,936,047)
Non-Current Liabilities	(8,659,019)
<u>Increase/(Decrease) in Payable:</u>	
Current and Non-Current	2,155,629
Prepayments	(5,153,856)
Deposit	340,682
Excess provision of Creditors	188,756
Prepayments transferred to Reserves	190,358
Net Cash Flow from Operating Activities	58,896,597

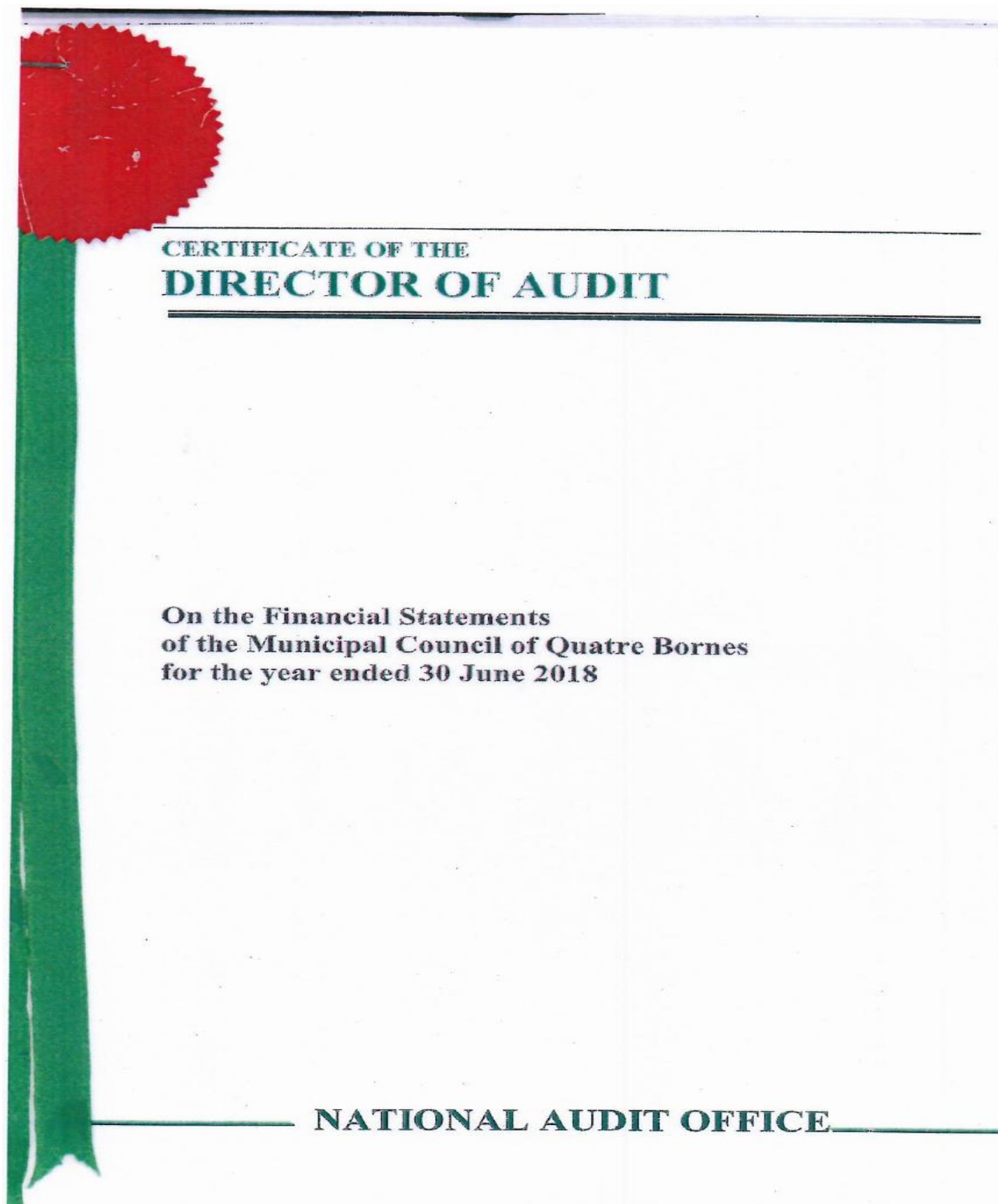
90. Event After Reporting Date

Non-adjusting Event after the Reporting Date:

Transfer of Rs124,593,555/- to the Consolidated Fund:

Following a government decision as stated in the 2020/2021 Budget Circular of 2020, owing mainly to uncertainties caused by the COVID-19 pandemic, this Council was requested by the Ministry of Local Government and Disaster Risk Management to transfer an amount of Rs124,593,555/- from its Reserves to the Consolidated Fund to finance mostly the Grant in Aid of Local Authorities in FY 2020-21. The transfer of fund was approved at the Council Meeting.

The amount of Rs124,593,555/- was therefore transferred to the Consolidated Fund on 21 October 2020 as requested by the Ministry of Local Government and Disaster Risk Management to be in line with the above Budget Circular. The Investment and the Accumulated Reserves of this Council will ultimately be reduced by this amount.





NATIONAL AUDIT OFFICE

REPORT OF THE DIRECTOR OF AUDIT TO THE MUNICIPAL COUNCIL OF QUATRE BORNES

Report on the Audit of the Financial Statements

Qualified Opinion

I have audited the financial statements of the Municipal Council of Quatre Bornes, which comprise the statement of financial position as at 30 June 2018, the statement of financial performance, statement of changes in net assets/equity and cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the accompanying financial statements give a true and fair view of the financial position of the Municipal Council of Quatre Bornes as at 30 June 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Basis for Qualified Opinion

The Council's receivables and investment are carried in the Statement of Financial Position at Rs 94 million and Rs 310 million respectively and its trade payables at Rs 51.7 million. The amount at which financial assets or financial liabilities have been measured is not in accordance with requirements of *IPSAS 29 Financial Instruments: Recognition and Measurement*.

The Council has not disclosed whether it has taken advantage of transitional provisions in respect of measurement of financial assets and financial liabilities allowed by *IPSAS 33 First Time Adoption of Accrual Basis IPSAS*. An indication of how and by when it intends to comply in full with requirements of *IPSAS 29* was also not disclosed.

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Municipal Council of Quatre Bornes in accordance with the INTOSAI Code of Ethics together with the ethical requirements that are relevant to my audit of the financial statements in Mauritius, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

In addition to the matter described in the Basis for Qualified Opinion section of my report, I have determined the matter described below to be key audit matter to be communicated in my report.

KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED IN OUR AUDIT
<p>Property Plant and Equipment (PPE)</p> <p>As disclosed in note 11, the Council's PPE carrying amount is Rs 743.3 million.</p> <p>The Council adopted the transitional provisions in accordance with IPSAS 33 that allow three years of transitional period to be fully compliant with IPSAS 17: Property Plant and Equipment.</p> <p>The council used fair value as deemed cost for measurement of motor vehicles and IT equipment and charged depreciation on fair value.</p> <p>The fair value assessment is subject to judgment and estimation and I considered PPE to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none">- Comparison of the carrying value according to previous basis of accounting to the values on date of adoption of IPSAS to verify completeness.- Reviewing minutes of Council meeting in relation to PPE.- Assessing the reasonableness of the assumptions used in determining fair value of assets.- Assessing the adequacy of the disclosures in Financial Statements- Checking the accuracy of carrying value of PPE. <p>Based on the procedures performed the carrying value of PPE is appropriate.</p>

Emphasis of Matter

I draw attention to Note 2 to the financial statements concerning basis of preparation and Statement of Compliance. The Municipal Council of Quatre Bornes initiated accrual basis IPSASs on 1 July 2017 and elected to adopt the transitional exemptions in IPSAS 33, First-time Adoption of Accrual Basis IPSASs that allows it a transitional period of up to three years. As a result the Municipal Council of Quatre Bornes is not able to make an explicit statement about its full compliance with accrual basis IPSAS.

My opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IPSAS and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Municipal Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible of overseeing the Municipal Council of Quatre Bornes's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipal Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence, obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipal Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Municipal Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or, when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Management's Responsibilities for Compliance

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible to ensure that the Municipal Council's operations are conducted in accordance with the provisions of laws and regulations, including compliance with the provisions of laws and regulations that determine the reported amounts and disclosures in an entity's financial statements.

Auditor's Responsibilities

In addition to the responsibility to express an opinion on the financial statements described above, my responsibility includes reporting to the Council whether:

- (a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of the audit;
- (b) any loss or deficiency is wholly or partly due to the negligence or misconduct of any person;
- (c) any sum which ought to have been so brought but which, due to willful default or negligence, has not been brought into account;
- (d) there has been any failure to recover any rate, fee or other charge in the manner specified in section 101; and
- (e) the provisions of Part V of the Public Procurement Act regarding the bidding process has been complied with.

I performed procedures, including the assessment of the risks of material non-compliance, to obtain audit evidence to discharge the above responsibilities.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Local Government Act

I have obtained all information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.

Based on my examination of the accounts of the Municipal Council of Quatre Bornes, nothing has come to my attention that indicates:

- (a) any loss or deficiency which is wholly or partly due to the negligence or misconduct of any person;
- (b) that any sum which ought to have been brought to account, has not been so brought due to willful default or negligence; and
- (c) any failure to recover any rate, fee or other charge.

Public Procurement Act

In my opinion, the provisions of Part V of the Act have been complied with as far as it appears from my examination of the relevant records.



C. ROMOOAH
Director of Audit

National Audit Office
Level 14,
Air Mauritius Centre
PORT LOUIS

29 May 2020



**MUNICIPAL COUNCIL OF QUATRE
BORNES**

**AMENDED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2018**

Mayor Nagen Mootoosamy

MUNICIPAL COUNCIL OF QUATRE BORNES



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Statement of Financial Position as at 30 June 2018**Assets:****Current assets**

	Notes	Rs.
Cash and Cash Equivalents	3	22,338,351
Receivables From Exchange Transactions	4	3,174,542
Receivables From Non-Exchange Transactions	5	11,269,941
Inventories	6	2,970,560
Total Current Assets		39,753,394

Non-current assets

Investments	7	285,302,425
Intangible Assets	8	824,841
Long Term Receivables From Exchange Transactions	9	9,776,364
Long Term Receivables From Non Exchange Transactions	10	60,686,945
Property, Plant And Equipment	11	743,329,642
Total Non Current Assets		1,099,920,217
TOTAL ASSETS		1,139,673,611

Liabilities**Current liabilities**

Trade And Other Payables From Exchange Transactions	12	31,011,267
Refundables Deposits From Customers	13	7,676,437
Employment Benefits Obligations	14	58,564,338
Payments Received In Advance	15	6,061,481
Total Current Liabilities		103,313,523

Non-current liabilities

Non Current Provisions	16	3,682,034
Non Current Employee Benefits Obligations	17	550,969,917
Total Non Current Liabilities		554,651,951
TOTAL LIABILITIES		657,965,474
NET ASSETS		481,708,137

EQUITY

Reserve	228,080,969
Accumulated Surplus	253,627,168
NET ASSETS	481,708,137

Approved by Council at its meeting of 29 October 2019.


NAGEN MOOTOSAMY
MAYOR


S. COONJAN-JUGROOP (MRS)
CHIEF EXECUTIVE

The notes 1 to 53 are an integral part of the Financial Statements.

Statement of Financial Performance For Year Ended 30 June 2018

<u>Revenue From Non-Exchange Transaction</u>	Notes	Rs.
General Rate		
Trade Fees	18	48,345,803
Advertising And Publicity Fees	19	24,690,850
Fines, Penalties And Levies	20	2,195,475
Public Contributions And Donations	21	63,509
Government Grant		1,696,943
Building and Land Use Permit	22	317,262,942
	23	3,163,971
Total Revenue From Non-Exchange Transaction		397,419,493
<u>Revenue From Exchange Transactions</u>		
Bus Toll Fees		768,000
Rental Income		
Finance Income	24	30,688,558
Burial And Incineration Fees	25	8,061,246
		590,400
Other Income		1,260,804
Total Revenue From Exchange Transaction	26	41,369,008
TOTAL REVENUE		438,788,501
<u>Expenses</u>		
Compensation Of Employees		
Remuneration Of Councillors	27	263,864,228
Pensions and Gratuities	28	4,223,502
Pension Charge as per IPSAS 39	29	5,179,554
Utilities Cost		44,394,940
Motor Vehicle Expenses	30	24,887,544
Repairs And Maintenance	31	8,504,835
Hired and Contracted Services	32	3,531,293
Sports, Welfare and Cultural Activities	33	9,777,506
Grants And Subsidies	34	3,551,731
		1,197,389
Professional And Legal Fees		1,915,327
Depreciation and Amortisation	35	12,528,326
General Expenses	36	20,417,019
TOTAL EXPENSES	37	403,973,194
Other Gains/(Losses):		
Loss On Sale Of Assets		
Total Loss on Disposal	38	(65,432)
		(65,432)
Surplus for the year		34,749,875

Cash Flow Statement For Year ended 30 June 2018

	Rs.	Rs.
<u>Cash Flows From Operating Activities</u>		
<u>Receipts</u>		
Trade Fee	22,225,075	
General Rate	38,906,705	
Public Contributions And Donations	1,696,943	
License And Permits	3,163,972	
Government Grants	269,115,838	
Finance Income	21,578,014	
Other Income, Rental And Agency Fees	86,183,529	
TOTAL		442,870,076
<u>Payments</u>		
Compensation Of Employees	264,938,476	
Remuneration of Councillors	4,445,212	
Good And Services	58,173,796	
Pensions and Gratuities	35,507,042	
Grants And Subsidies	1,551,700	
Other Payments	1,285,508	
TOTAL		365,901,734
Net Cash Flows From Operating Activities		76,968,342
<u>Cash Flows From Investing Activities:</u>		
Purchase Of Property, Plant And Equipment	(85,849,389)	
Proceeds From Sales Of Property, Plant Equipments	620,108	
Total Cash Flows From Investing Activities		(85,229,281)
<u>Cash Flows From Financial Activities:</u>		
Cash Flow From Financial Activities		
Proceeds From Borrowings	-	
Repayments Of Borrowings	-	
Total Cash Flows From Financial Activities		-
Net Increase/(Decrease) in Cash and Cash Equivalent		(8,260,939)
Cash and cash equivalents at 1 July 2017		30,599,290
Cash and cash equivalents at 30 June 2018		22,338,351

Statement of Changes in Net Assets/Equity as at 30 June 2018

	Reserve	Accumulated Surplus	Total
Opening balance as at 01.07.2017	290,140,658	221,929,910	512,070,568
Adjustment to opening Debtors		(3,965,591)	(3,965,591)
Other Adjustments	(486,668)	(120,529)	(607,197)
Restated Opening Balance as at 01.07.2017	289,653,989	217,843,790	507,497,780
Surplus for the period	-	34,749,875	34,749,875
Transfer from Interest re-invested	222,358		222,358
Recognition of Vacation leave	(62,029,186)		(62,029,186)
Payment out of Fund	(967,366)		(967,366)
Adjustments	1,201,174	1,033,503	2,234,677
Closing Balance as at 30.06.2018	228,080,969	253,627,168	481,708,137

Statement of Comparison of Budget to Actuals

Particulars	Note	Adjustments		Performance	
		Original Budget	Final Budget	Actual	Difference
		Rs	Rs	Rs	Rs
Revenue (non Exchange)					
General Rates		47,800,000	47,800,000	48,345,803	545,803
Trade Fees		20,100,000	20,100,000	24,690,850	4,590,850
Advertising And Publicity Fees		2,300,000	2,300,000	2,195,475	(104,525)
Fines, Penalties And Levies		-	-	63,509	63,509
Public Contributions And Donations	39	-	-	1,696,943	1,696,943
Government Grant	40	272,971,000	1,320,833	274,291,833	-
Capital Grant				42,971,109	42,971,109
Building and Land Use Permit	41	4,700,000	4,700,000	3,163,971	(1,536,029)
Total Revenue (non Exchange)		347,871,000	1,320,833	397,419,493	48,227,660
Revenue (Exchange)					
Bus Toll Fees		762,000	762,000	768,000	6,000
Rental Income	42	32,400,000	32,400,000	30,688,558	(1,711,442)
Finance Income	43	7,200,000	7,200,000	8,061,246	861,246
Burial And Incineration Fees	44	850,000	850,000	590,400	(259,600)
Other Income		5,781,574	4,440,834	1,260,804	(8,961,604)
Total Revenue (Exchange)		46,993,574	4,440,834	41,369,008	(10,065,400)
Total Revenue		394,864,574	5,761,667	438,788,501	38,162,260
Expenses					
Compensation Of Employees	45	281,980,674	1,229,492	263,864,228	(19,345,938)
Remuneration Of Councillors		4,190,000	100,000	4,223,502	(66,498)
Pensions and Gratuities	46	31,360,000	206,942	31,566,942	-
Additional Pension Charge as per IPSAS	39	-	-	18,007,552	18,007,552
Utilities Cost	47	26,571,700	40,000	24,887,544	(1,724,156)
Motor Vehicle Expenses	48	11,073,700	70,000	8,504,835	(2,638,865)
Repairs And Maintenance	49	4,863,500	25,000	3,531,293	(1,357,207)
Hired and Contracted Services	50	9,509,000	2,744,400	9,777,506	(2,475,894)
Sports, Welfare and Cultural Activities	51	3,470,000	1,320,833	3,551,731	(1,239,102)
Grants And Subsidies	52	1,695,000	-	1,197,389	(497,611)
Professional And Legal Fees		2,300,000	-	1,915,327	(384,673)
Depreciation and Amortisation				12,528,326	12,528,326
General Expenses	53	17,851,000	25,000	12,417,019	(5,458,981)
Provision for bad debts				8,000,000	8,000,000
Loss on Disposal				65,432	65,432
Total Expenses		394,864,574	5,761,667	404,038,626	(4,653,047)
Surplus For The Period		-	-	34,749,875	34,815,307

Opening statement of financial position as at 01.07.2017 (i.e as at the date of adoption of IPSASs)

Assets:

Current assets

Cash and Cash Equivalents	30,599,289
Receivables From Exchange Transactions	2,982,871
Receivables From Non-Exchange Transactions	30,776,710
Inventories	3,860,795
Investments	285,302,425
Total Current Assets	353,522,090

Non-current assets

Intangible Assets	1,237,262
Long Term Receivables From Exchange Transactions	10,188,577
Long Term Receivables From Non Exchange Transactions	55,048,464
Property, Plant And Equipment	684,552,826
Total Non Current Assets	751,027,128
TOTAL ASSETS	1,104,549,218

Liabilities

Current liabilities

Trade And other Payables From Exchange Transactions	45,864,558
Refundables Deposits From Customers	6,158,660
Employment Benefits Obligations	55,506,499
Payments Received In Advance	8,189,443
Total Current Liabilities	115,719,160

Non-current liabilities

Non Current Provisions	3,629,481
Non Current Employee Benefits Obligations	473,130,009
Total Non Current Liabilities	476,759,490
TOTAL LIABILITIES	592,478,650

Net assets

Equity	
Reserve	290,140,658
Accumulated Surplus	221,929,910
Net Assets	512,070,568

Reconciliation of net assets/equity reported in accordance with the previous basis of accounting to opening balance of net assets/equity at date of adoption of IPSASs i.e 01.07.2017

	Reserve	Accumulated Surplus	Total
Balance as at 30.06.2017	893,841,957	185,536,996	1,079,378,953
Impairment Loss	(66,612,927)		(66,612,927)
Write Off Assets	(4,083,354)		(4,083,354)
Reversal of previous pension liability	(65,191,300)		(65,191,300)
Recognition of Pension Liabilities as per IPSAS 39	(431,420,804)		(431,420,804)
Transfer to/from	(36,392,914)	36,392,914	-
Opening Balance as at 01.07.2017 as per IPSAS	290,140,658	221,929,910	512,070,568

Notes to the Accounts For Year Ended 30 June 2018

1) General Information

The Municipal Council of Quatre Bornes is a corporate body established under the Local Government Act 2011, Part II Section 3 and 6/7. The place of management is at St Jean, Quatre Bornes.

2) (a) Basis of Preparation and Statement of Compliance

The Ministry of Finance and Economic Development decided that all Local Authorities shall prepare their Financial Statements in accordance with IPSAS (International Public-Sector Accounting Standards) accrual basis with effect from 1st July 2017. Pursuant to the above, the Municipal Council of Quatre Bornes has prepared the Financial Statements for financial year-ended 30 June 2018 in compliance with Section 132 and 133 of the Local Government Act 2011 and in compliance as listed below IPSAS's, including the adoption of the exemptions provided in the Standard that affect fair presentation and compliance with accrual basis IPSAS's.

The Financial Statements are presented in Mauritian Rupees and all values are rounded to the nearest rupee. The statements have been prepared on an accrual and going concern basis and on the basis of historic cost convention, unless stated otherwise.

The Council has three years as transitional period for full adoption of IPSAS by financial year 2019/20. The following standards have been adopted by the Council for this financial year:

- IPSAS 1 - Presentation of Financial Statements
- IPSAS 2 - Cash Flow Statements
- IPSAS 3 - Accounting Policies, Changes in Accounting Estimates and Errors
- IPSAS 9 - Revenue from Exchange Transactions
- IPSAS 12 - Inventories

- IPSAS 13 - Leases
- IPSAS 14 - Events after Reporting Date
- IPSAS 17 - Property, Plant and Equipment
- IPSAS 19 - Provisions Contingent Liabilities and Contingent Assets
- IPSAS 20 - Related Party Disclosures
- IPSAS 21 - Impairment of Non-Cash-Generating Assets
- IPSAS 23 - Revenue from Non-Exchange Transactions (Taxes and Transfers)
- IPSAS 24 - Presentation of Budget Information in Financial Statements
- IPSAS 25 - Employee Benefits
- IPSAS 31 - Intangible Assets
- IPSAS 33 - First Time Adoption of Accrual Basis IPSAS's
- IPSAS 39 - Employee Benefits

(b) Significant Accounting Policies

I. Presentation of Financial Statement-IPSAS 1

The Financial Statement Comprises of the following:

- Statement of Financial Position
- Statement of Financial Performance
- Statement of Cash Flows
- Statement of Changes in Net Assets/Equity
- Statement of Comparison of Budget and Actual Amounts
- Notes to the Accounts

Transition to IPSASs with effect from Financial Year 2017/2018

Before the adoption of IPSAS, Financial Statements of 2016/2017 were being prepared on a historical cost basis. As from the Financial Statements 2017-18, the below items have shown to bring changes in the preparation of the Financial Statements of the Municipal Council following the adoption of IPSAS

- *Depreciation Transition*

For the Financial Statements 2016-17, no depreciation was being charged in the accounts. However, after the IPSAS adoption at the beginning of the financial year, that is as at 01st July 2017, Computer and IT Equipment and Motor Vehicles have been given a Fair Value following which they have been depreciated at the rate of 25% and 10% respectively.

- *Pension Liability*

Further, according to IPSAS 39, full Pension Liability has been charged in the Accounts for the Financial Year 2017/2018 as compared to previous Financial Statement. 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 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 by SICOM Ltd to determine the pension liability and adjustment is made accordingly in the statement of financial performance and statement of financial position.

Comparative Information

No comparative figures for the previous period are presented in the Financial Statements. Instead a set of financial statement for preceding year ended 30 June 2017 has been submitted. In addition, an opening statement and a reconciliation of net assets/equity as at date of adoption of IPSAS (ie as at 01.07.2017) has been submitted.

II. Cash Flow Statements-IPSAS 2

The Statement has been prepared using the direct method.

III. Revenue Recognition

The general policy of the Council is to recognize revenue on an accrual basis. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Council. 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 arises 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 are no exchange of approximate direct benefits or value between receiving and giving entities.

Revenue from Exchange Transactions

(i) Bus toll fee

Bus toll fee is payable by every bus owner using the traffic centers and the fee is accounted for as income on an accrual basis. It is payable to Council one month in advance.

(ii) Rental income

Rental income refers to revenue earned from leasing out properties belonging to the Council. The rental is of operating nature and comprises rental mainly from Markets and Fairs, Sports complexes, reception halls, social halls, residential and commercial complexes.

The Revenue is recognized on an accrual basis with the exception of the following i.e. rental from sports complexes, social halls and reception halls, which are recognised on the actual collection of rental.

(iii) Finance Income

The finance income earned is calculated using the fixed interest rate and is apportioned based in accordance with the agreement.

The income generated from investment of the Passage Fund is not accounted in the Statements of Financial Performance in compliance with Section 81 (5)(b) of the Local Government Act 2011.

(iv) Burial and Incineration fees

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

(v) Other Income

All other income is recorded on actual basis that is, based on actual amount collected.

Revenue from Non-Exchange Transactions

(i) General Rate

The General Rate is levied on an owner of any immovable property situate in the rating area of the Council as per the Local Government Act 2011 Section 95. The rate is annually paid by the resident. If the rates are unpaid, penalty is applied on the due amount. The rate is recognized on an accrual basis in the Statement of Financial Performance.

(ii) Trade fee

Trade fee is payable whenever an economic operator or any person carries out a classified trade as stipulated by the Local Government Act 2011 Section 122 (2). It is an offence to carry out such trade without the payment of the appropriate fees. The fee is payable twice annually and if not paid, a surcharge of 50% is applied. The income is recognized on an accrual basis except for occasional fee which is recognized on cash basis.

(iii) Government Capital grants

Government Capital grant is recognized fully in the year it is received in accordance with IPSAS.

(iv) Government Grant

Government grant are transfers received from Central Government for the purpose of giving immediate financial support to the Council with no future related costs. They are recognized in the statement of financial performance in the period in which they become receivable. An amount of Rs 274,291,833 has been disbursed to meet recurrent expenses and Rs 42,971,109 to meet capital expenses.

(v) Building and Land Use Permit

The Building and land use permit fees are recognized based on actual amount received or collected in the Statement of Financial Performance.

V. Property, Plant and Equipment

An item of property, plant and equipment is recognized as an asset when it is probable that future economic benefits will flow to the Council and the cost or fair value of the asset can be measured reliably.

Since we are in a transitional period, we have a 3 years' period to recognize all our property, plant and equipment. For the first financial year 2017/18, we have recognized the Motor Vehicles and Computer & IT Equipment at Fair Value less depreciation. For other assets no depreciation has been charged and have been presented at cost in the Financial Statements. Furniture, fixture & fittings and Plant Machinery will be recognized at Fair Value less depreciation in 2018/19. Public Infrastructure assets and Land will be recognized at Fair Value in Financial year 2019/20. Investment Properties categorized under buildings will be treated as investment properties in Financial year 2019/20.

A motor surveyor has carried out a survey on all our vehicles and has given the fair value of each vehicle. The Motor Vehicles are stated at Fair Value at the start of the financial year based on the report and have been depreciated over the remaining useful life. A residual value has been estimated for each vehicle. Impairment loss has been recognized in the Reserves on 1st July 2017.

For Computer and IT Equipment, an independent report of the fair value of the assets has been submitted by the Information Technology Officer (IT Officer) of the Council. The

assets are stated Fair Value and has been depreciated over the remaining useful life. Impairment loss has been recognized in the Reserves on 1st July 2107.

Depreciation is charged so as to write off the cost of fixed assets less the residual value at the annual estimated rates over their useful lives, using the straight line method. The estimated useful lives, residual value and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. Full depreciation is charged in year of acquisition and no depreciation in year of disposal.

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.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the surplus or deficit in the statement of financial performance.

The annual rates used in the calculation of depreciation using the straight-line method are:

Motor Vehicles	-	10% per annum
Computer and IT Equipment	-	25% per annum

V. **Intangible Assets**

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

Following the report from IT Officer of the Council the intangible asset has been recognized at fair value. Depreciation has been charged over the remaining useful life of the assets.

VI. Inventories

The cost of our inventories has been assigned using the weighted average cost formula.

Inventories are measured at the lower of cost and net realizable value and the difference are expensed out in the Statement of Financial Performance. At the close of the financial year, a stock take was carried for all of our store and non-store items and a stock adjustment was charged to the Statement of Financial Performance. Inventories are recognized as an expense when issued for utilization and consumption in the provision of services and administration of the Council.

The Net Realisable Value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

VII. Investments

Our investments comprise fixed deposits held with different institutions for a period of two years at a fixed rate. The interest is payable upon maturity, but the Council recognized the interest on an accrual basis.

VIII. Trade and Other Payables

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

IX. 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.

X. Retirement Benefit Costs

The Council contributes to the following pension schemes:-

Defined Benefits Pension Plan

Provision for retirement pension benefits has been made under the Statutory Bodies Pension Funds Act of 1978 as amended. The scheme is a Defined Benefit Pension Plan and its assets are managed by the State Insurance Company of Mauritius Ltd.

The present value of the funded obligations is recognised in the Statement of Financial Position as a non-current liability after adjusting for the fair value of plan assets, any unrecognized past service cost. The valuation of these obligations is carried out on a regular basis by the actuarial services of SICOM Ltd.

Defined Contribution Pension Scheme

A Defined Contribution Pension Scheme has been set up with effect from 1 January 2013 following amendment to the Statutory Bodies Pension Funds Act 1978. As from 1 January 2013, new recruits join the scheme and contribute 6% of their salaries and the council's contribution to the scheme is 12% of the gross emoluments. These contributions are expensed in the Statement of Financial Performance in the period they relate.

National Savings Fund/National Pension Fund

The Council contributes 2.5% of gross emoluments (up to a maximum of Rs 425.00 per employee) to the fund on a monthly basis. This Fund is utilized for payment of lump sum to employees upon their retirement. This expense is charged to Statement of Financial Performance.

XI. Long Term Benefits Obligation

Long term entitlement to Sick Leaves, Vacation Leaves and Passage Benefits have been recognized as a liability in the Statement of Financial Position as the Council has a present legal obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

XII. Nature and Purpose of Reserves

The Council maintains the General Fund and Passage Fund reserves.

Passage Fund

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

Income derived from investment of the unutilized passage benefit payable to employees of the Council is transferred to equity under the item passage fund.

XIII. Related Parties

Related parties are entities that control or have significant influence over the party in making financial and operating decisions or those who are subject to common control.

Related parties include of the Council are:

- Mayor
- Deputy Mayor, Executive Councillors and Councillors
- Chief Executive Officer
- Head of Departments. e.g. Planning Department, Finance Department, Health Department, Public Infrastructure Department and Welfare Department.

XIV. Budget Information

The annual budget is prepared on an accrual basis and is presented in Performance Based Budget. The budget is approved by the Ministry of Local Government after having carried out adjustment to the original budgetary provisions.

During the financial year Council carried out monthly budget monitoring exercise to identify the need for any additional funding.

Any major difference between revised and actual expenditure and income is provided in the notes to the financial statements.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash in hand and balances with banks:

	Rs
Cash at Bank	22,023,941
Cash In hand	314,410
	<u>22,338,351</u>

Reconciliation of Net Cash Flows from Operating Activities to Surplus for 2017-2018

Surplus For the Year	Rs.
loss on disposal	34,749,875
Stale Cheque	65,432
	(216,579)
<u>Add/(less) non-cash items</u>	
Depreciation	12,528,325
Increase in provision for doubtful debts	8,000,000
<u>Add/(less) items classified as investing or financing activities</u>	
Payment out of General Fund	967,366
Transfer Interest Received to Equity	(222,358)
<u>Add/(less) movements in statement of financial position items</u>	
(Increase)/Decrease in receivables:	
Receivables from Exchange Transaction	(191,671)
Receivables from Non Exchange Transaction	19,020,092
Long Term Receivables from Exchange Transaction	(3,553,378)
Long Term Receivables from Non Exchange Transaction	(12,824,788)
(Increase)/Decrease in Inventories	238,471
<u>Increase/(Decrease) in employee entitlements:</u>	
Current Liabilities	2,116,361
Non current Liabilities	16,752,200
<u>Increase/(Decrease) in Payable:</u>	
Current	1,352,504
Non Current	(1,814,642)
Prepayments	(2,127,962)
Deposit	2,129,094
Net cash flow from operating activities	<u><u>76,968,342</u></u>

Receivables From Exchange Transactions
Market and Fairs

	Rs.
	3,174,542
	<u>3,174,542</u>

Receivables From Non-Exchange Transactions

	Rs.
General Rate	5,362,237
Trade Fees	4,298,600
Car Loan	1,609,104
	<u>11,269,941</u>

Inventories

	Rs.
Store Items	2,374,360
Non Store Items	596,200
	<u>2,970,560</u>

Investments

Bank Name	Amount (Rs)	Fixed Interest Rate (%) p.a	Maturity Period
Maubank	40,000,000	2.30	21.08.17-21.08.19
State Bank of India	20,000,000	2.61	28.08.17-27.09.19
Barclays	30,000,000	2.25	29.09.17-30.09.19
Maubank	45,000,000	1.75	06.10.17-06.10.19
Maubank	47,000,000	2.05	22.01.18-22.01.20
Bank One	43,000,000	2.75	22.01.18-22.01.20
Bank One	42,000,000	3.25	16.03.18-16.03.20
Maubank	18,000,000	2.50	21.03.18-21.03.20
Telethon Fund	302,425		
	<u>285,302,425</u>		

Intangible Assets**SOFTWARE**

Cost as at 01.07.2017	6,282,783
Impairment Loss	(5,045,521)
Write Off	

Fair Value as at 01.07.2017	1,237,262
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Additions	
-----------	--

Disposals	
-----------	--

Transfer/Adjustments	
----------------------	--

Fair Value as at 30.06.2018	1,237,262
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Depreciation

As at 01.07.2017	
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charge for the year	412,421
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As at 30.06.2018	412,421
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Net Book Value as at 30 June 2018	824,841
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Long Term Receivables From Exchange**Transactions**

	Gross Debtors	Provision	Net Amounts
Bus Toll Fees	54,188		54,188
Market and Fairs	7,119,331	2,200,000	4,919,331
Rental Income	1,563,278	500,000	1,063,278
Finance Income	3,739,567		3,739,567
	12,476,364	2,700,000	9,776,364

Long Term Receivables From Non Exchange**Transactions**

	Gross Debtors	Provision	Net Amounts
General Rate	45,164,768	13,800,000	31,364,768
Trade Fees	31,267,407	9,500,000	21,767,407
Tenant Tax	14,518,663	13,786,000	732,663
Advertising And Publicity Fees	713,125		713,125
Insurance Receipt	188,000		188,000
Advances	291,143		291,143
Debtors to Telethon Fund	-		-
Car Loan	4,570,365		4,570,365
Pensioners	1,015,069		1,015,069
Advance Telethon	40,000		40,000
Others	4,405		4,405
	97,772,945	37,086,000	60,686,945

11. Property, Plant and Equipment

	Buildings	Land	Public Infrastructure	Computer and IT Equipment	Furniture Fittings and office Equipment	Plant & Equipment	Motor Vehicles	TOTAL
Fair Value as at								
01.07.2017	278,055,690	14,060,685	291,118,777	2,307,221	16,001,892	34,302,936	48,705,624	684,552,825
Additions	27,517,257		36,393,743	177,549	239,278	1,930,385	5,508,050	71,766,262
Disposals							(873,540)	(873,540)
Transfer/Adjustments								
Fair Value as at								
30.06.2018	305,572,947	14,060,685	327,512,520	2,484,770	16,241,170	36,233,321	53,340,134	755,445,547
Depreciation								
As at 01.07.2017				(549,141)			(11,566,764)	(12,115,905)
charge for the year								
As at 30.06.2018	-	-	-	(549,141)	-	-	(11,566,764)	(12,115,905)
Net Book Value as at								
30 June 2018	305,572,947	14,060,685	327,512,520	1,935,629	16,241,170	36,233,321	41,773,370	743,329,642

MUNICIPAL COUNCIL OF QUATRE BORNES

12.	<u>Trade And Other Payables From Exchange Transactions</u>	Rs.
	Accounts Payables to Suppliers	14,964,793
	Accruals and Retention Money on Contracts	12,330,556
	Telethon	40,000
	Trade Fees	1,445,950
	Electoral Fees	1,814,642
	Miscellaneous Govt Grant: Trainee Allowance & Cleaning of Drains/Bulky Waste	415,326
		<u>31,011,267</u>
13.	<u>Refundables Deposits From Customers for the Following:</u>	
	Deposit for Rental of Municipal Buildings	670,530
	Deposit for Utilities Fees	53,150
	Deposit for street Lanterns	257,500
	Deposit Insurance	657,962
	Deposit Library	1,957,451
	Deposit Bus	30,500
	Others	725,414
	Deposit Wayleave	2,382,530
	Deposit Tenders	941,400
		<u>7,676,437</u>
14.	<u>Employment Benefits Obligations-Current Liabilities</u>	
	Sick Leaves	7,200,000
	Vacation Leave	941,478
	Pension and Gratuities Liabilities	48,662,860
	Passage Liabilities	1,760,000
		<u>58,564,338</u>
15.	<u>Payments Recived In Advance</u>	
	General Rates	5,280,187
	Advertisement	346,331
	Lease of Site for Display	159,488
	Bus Toll	52,500
	Quatre Bornes Market	7,245
	Rent	25,372
	Tenant Tax	190,358
		<u>6,061,481</u>

FIGURES FOR IPSAS 39 ADOPTION FOR: Municipal Council of Quatre Bornes

For year ending 30 June 2018

	Year ending 30 June 2018	6-month period ending 30 June 2017 (Restated)
	Rs	Rs
Amounts recognised in balance sheet at end of period:		
Defined benefit obligation	775,336,008	734,407,562
Fair value of plan assets	(286,682,217)	(240,792,212)
Liability recognised in balance sheet at end of period	488,653,791	493,615,350
Amounts recognised in income statement:		
Service cost:		
Current service cost	20,780,025	
Past service cost	0	
(Employee contributions)	(9,476,292)	
Fund Expenses	568,578	
Net Interest expense/(revenue)	32,522,630	
P&L Charge	44,394,941	
Remeasurement		
Liability (gain)/loss	6,746,060	
Assets (gain)/loss	(6,746,060)	
Net Assets/Equity (NAE)	0	
Total	44,394,941	
Movements in liability recognised in balance sheet:		
At start of year	493,615,350	
Amount recognised in P&L	44,394,940	
(Actuarial reserves transferred in)	0	
(Employer Contributions)	(18,952,584)	
(Direct Benefits paid by Employer)	(30,403,915)	
Amount recognised in NAE	0	
At end of period	488,653,791	

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 independently and administered by The State Insurance Company of Mauritius Ltd.

FIGURES FOR IAS IPSAS 39 ADOPTION FOR:
Municipal Council of Quatre Bornes
For year ending 30 June 2018

MUNICIPAL COUNCIL OF QUATRE BORNES

	Year ending 30 June 2018
<i>Reconciliation of the present value of defined benefit obligation</i>	Rs
Present value of obligation at start of period	734,407,562
Current service cost	20,780,025
Interest cost	49,499,070
(Benefits paid)	(36,096,708)
Liability (gain)/loss	6,746,060
Present value of obligation at end of period	<u>775,336,008</u>
<i>Reconciliation of fair value of plan assets</i>	
Fair value of plan assets at start of period	240,792,212
Expected return on plan assets	16,976,440
Employer contributions	18,952,584
Actuarial reserves transferred in	-
Employee Contributions	9,476,292
Fund Expenses	-
(Benefits paid + other outgo)	(6,261,371)
Asset gain/(loss)	6,746,060
Fair value of plan assets at end of period	<u>286,682,217</u>
<i>Distribution of plan assets at end of period</i>	
<i>Percentage of assets at end of period</i>	June 2018
Fixed-Interest securities and cash	59.5 %
Loans	3.7 %
Local equities	14.6 %
Overseas bonds and equities	21.6 %
Property	0.6 %
Total	<u>100%</u>
<i>Additional disclosure on assets issued or used by the reporting entity</i>	
<i>Percentage of assets at end of year</i>	June 18
Assets held in the entity's own financial instruments	(%)
Property occupied by the entity	0
Other assets used by the entity	0
<i>Components of the amount recognised in NAEYear June 2018 Currency</i>	Rs
Asset experience gain/(loss) during the period	6,746,060
Liability experience gain/(loss) during the period	(6,746,060)
	<u>0</u>
<i>Year</i>	2018/2019
Expected employer contributions	19,736,820
(Estimate to be reviewed by Municipal Council of Quatre Bornes)	
Weighted average duration of the defined benefit obligation	13 years
(Calculated as a % change in PV of liabilities for a 1% change in discount rate)	

FIGURES FOR IPSAS 39 ADOPTION FOR:

Municipal Council of Quatre Bornes For year ending 30 June 2018

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:

	Year ending 30 June 2018
Discount rate	6.74%
Future salary increases	4.00%
Future pension increases	3.00%
Mortality before retirement	A 6770 Ultimate Tables
Mortality in retirement	PA (90) Tables rated down by 2 years
Retirement age	As per Second Schedule of the Statutory Bodies Pension Funds Act

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

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

- If the discount rate would be 100 basis points (one percent) higher (lower), the defined benefit obligation would decrease by Rs 89.9M (increase by Rs 110.8M) if all other assumptions were held unchanged.

- If the expected salary growth would increase (decrease) by 1%, the defined benefit obligation would increase by Rs 45.7M (decrease by Rs 39.8M) if all assumptions were held unchanged.

- If life expectancy would increase (decrease) by one year, the defined benefit obligation would increase by Rs 21.7M (decrease by Rs 21.7M) if all assumptions were held unchanged.

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

18. <u>General Rate</u>	Rs.
Local Rate	40,816,231
Self Assessment	7,529,572
	<u>48,345,803</u>
19. <u>Trade Fees</u>	
Trade Fees	24,633,750
Occasional Fees	57,100
	<u>24,690,850</u>
20. <u>Advertising And Publicity Fees</u>	
Advertising Fees	1,969,024
Display Panel	226,451
	<u>2,195,475</u>
21. <u>Fines, Penalties And Levies</u>	
Fines For Books	61,280
Fines For Loss of Books/Audio Visual	2,229
	<u>63,509</u>
22. <u>Government Grant</u>	
Grant In Aid	274,291,833
Capital Grant	42,971,109
	<u>317,262,942</u>
23. <u>Building and Land Use Permit</u>	
Building and Land Use Permit	3,108,740
Development Permit	55,231
	<u>3,163,971</u>
24. <u>Rental Income</u>	
Market Rent	20,141,396
Housing Rent	5,051,038
Lease of Gym	1,481,100
Lease of Municipal Complexes	4,015,024
	<u>30,688,558</u>
25. <u>Finance Income</u>	
Interest on Car Loan	194,667
Accrued Interest on Fixed Deposits	786,658
	<u>8,061,246</u>
26. <u>Other Income</u>	
Library Fees	66,654
Processing Fees	316,000
Abnormal Refuse	343,500
Miscellaneous Income	497,905
Other Income	36,745
	<u>1,260,804</u>
27. <u>Compensation Of Employees</u>	
Salaries	168,559,979
Salary Compensation	2,856,507
Overtime	11,117,310
Uniform and Protective Equipment	3,818,099
End of Year Bonus	14,020,269
Travelling	14,492,028
Allowances	2,317,051
Contribution to Pension Fund	1,670,175
Contribution to Family Protection Scheme	3,487,951
Contribution to National Pension and Saving Fund	3,486,174
Sick Leave Liabilities	30,180,805
Passage Costs	6,735,238
Staff Welfare	153,146

Training Costs	51,841
Insurance -Employees	917,655
	<u>263,864,228</u>
28. <u>Remuneration Of Councillors</u>	
Allowance to Councillors	3,513,554
Allowance to Mayors	709,948
	<u>4,223,502</u>
29. <u>Pensions and Gratuities</u>	
Gratuities	4,911,535
Pensions	(297,731)
Salary Compensation for Pensioners	565,750
	<u>5,179,554</u>
30. <u>Utilities Cost</u>	
Electricity Charges	21,763,396
Water Charges	1,125,335
Waste Water Charges	690,417
Telephone Charges	1,308,396
	<u>24,887,544</u>
31. <u>Motor Vehicle Expenses</u>	
Fuel, Oil and Tyres Cost	6,729,873
Repair and Maintenance of Vehicles and Equipment	1,165,648
Insurance of Vehicles	609,314
	<u>8,504,835</u>
32. <u>Repairs And Maintenance</u>	
Cremation Ground	4,979
Sports Ground, Children Playground, Parks and Gardens	515,801
IT Equipment	2,405,065
Street Name Plates and Traffic Centres	42,977
Buildings	562,471
	<u>3,531,293</u>
33. <u>Hired and Contracted Services</u>	
Security Services	1,995,154
Cleaning Services	1,428,608
Scavenging Services	3,800,617
Others (Maintenance Air Conditioners, Alarm System, Police	2,553,127
	<u>9,777,506</u>
34. <u>Sports, Welfare and Cultural Activities</u>	
Cultural Activities	1,703,820
Social Activities	620,437
Sports Activities	1,227,474
	<u>3,551,731</u>
35. <u>Professional And Legal Fees</u>	
Audit Fees	400,000
Legal Fees	1,429,150
Court Fees	86,177
	<u>1,915,327</u>
36. <u>Depreciation and Amortisation</u>	
Motor Vehicles	11,566,764
Software	412,421
Computer and IT Equipment	549,141
	<u>12,528,326</u>
37. <u>General Expenses</u>	
Administrative Expenses	287,808
Advertising	185,334
Books And Periodicals	910,434
Cleaning Materials	251,679

Educational Activities	80,195
Entertainment Cost	332,778
Environmental Activities	385,071
Fees to Aerobic,yoga and Football Coaching Courses	693,500
Furniture and Equipment and Fittings	421,298
Minor Capital projects	268,428
Insurance -Assets	253,725
Materials Cost	4,606,885
Miscellaneous Expense	317,224
Postage Fees	748,762
Printing and Stationery	1,392,162
Provision for Bad Debts	8,000,000
Stock Adjustments	92,796
Purchase of Bins	49,680
Rent	575,000
Small Plants and Tools	564,260
	<u>20,417,019</u>

38. Disposal of Vehicles

(a) Donation of Roller to Agalega at no Cost

Fair Value as at 01.07.17	112,500
Transfer Cost	-
Loss on Transfer	<u>(112,500)</u>

(b) Sale of Vehicles:

Fair Value as at 01.07.17	(534,803)
Cash Receipt	620,108
Profit on Disposal	<u>85,306</u>

(c) Settlement from Insurance Company upon total loss(4x101)

Fair Value as at 01.07.17	(226,238)
Receipt Due from Insurance	188,000
Loss on Disposal	<u>(38,238)</u>

Total (Loss)/profit on disposal	<u>(65,432)</u>
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Comparison of Budget and Actual Amount as at 30 June 2018

- 39 Donation was received from Chinese Embassy for renovation of Daqing Square at Quatre Bornes and for purchase of Computer equipment and furnitures to be used in pre primary schools .
- 40 An additional grant of Rs. 1,320,833 was received during the financial year to meet the expenses in connection with the celebration of 50th Anniversary of Independence of Mauritius.
- 41 Based on previous collection a forecast of Rs.4.7M was made for BLP fees but there was less application than that was expected in the year ended 30 June 2018.
- 42 Some of the commercial complexes belonging to the Council could not be put on the market for renting purpose as the renovation work was not completed.
- 43 Funds being utilised to finance capital projects have been used to a lesser degree than expected as implementation of capital projects is taking more time compared to forecast.
- 44 The decrease in collection of incinerator fees, in our opinion, is mainly due to a lesser use being made of our facilities given that other Councils are also provided the same service.
- 45 There is a saving for compensation of employees because there is a number of vacant posts which have not been filled during the financial year.
- 46 The reduction in our public utilities cost is explained mainly by saving in our electricity charges of around Rs 1.3M and this due to lesser consumption and also replacement of street lighting lamps by led lanterns.

- 47 Total amount of pension charge as per IPSAS 39 is Rs. 44,394,940. This amount has been broken down into recurrent budget of Rs 26,387,388 and the difference of Rs. 18,007,552 has been classified as additional pension charge
- 48 Less repairs were required on our fleet of vehicles and also there were saving on insurance cost for our vehicles.
- 49 Given that the completion of new structure for the Quatre Bornes Fair, less repairs were required. Also repairs were approved as and when required by the department concerned.
- 50 Cost of providing security services in our premises was less than budgeted. Cost of providing rodent control was less than expected.
- 51 The financing for sporting and cultural activities were less than budgeted amounts.
- 52 Reduction in grant allocation to organisations.
53. Compare to budgeted amount savings were made regarding our insurance contract, utilisation of materials and purchase of furniture/fittings and equipments.

Related Party Disclosures

The remuneration of the members of key management during the year 2017/18 were as follows:

53.1 Remuneration

Mayor	728,726
Deputy Mayor	338,707
Councillors	3,314,218
Chief Executive Officer	289,858
Deputy Chief Executive Officer	1,063,520
2 Assistant Chief executives	1,681,765
Financial Controller	1,364,840
Head and Land Use Planning Officer	696,820
Chief Welfare Officer	768,135
Chief Health Inspector	1,006,610
Head Public Infrastructure	951,490
	<u>12,204,689</u>

53.2 Loan to Employees for the purchase of vehicles

Opening balance 01.07.17	5,036,498
Add loan granted during the year	2,677,585
Less loan repaid	(1,534,614)
Closing balance 30.06.18	<u>6,179,469</u>

**AMENDED BALANCE SHEET
AS AT 30 June 2017**

2016		Note	2016/2017	
Rs			Rs	Rs
	FIXED ASSETS			
473,264,930	Capital outlay	2.01	497,944,531	
232,900,339	Other Long Term Outlay	2.02	258,541,837	
<u>706,165,269</u>				756,486,368
	CURRENT ASSETS			
3,739,452	Stocks	1.02	3,860,795	
91,008,732	Debtors	3.00	98,842,906	
135,265	Advances		153,716	
57,426,807	Employee Pension Defined Benefits Assets	1.06 (b)	65,191,300	
275,277,425	Investments		285,302,425	
34,077,203	Cash & Bank Balances		30,599,289	
<u>461,664,884</u>			<u>483,950,431</u>	
	LESS CURRENT LIABILITIES			
23,549,439	Creditors		33,373,421	
6,173,685	Income received in advance		8,189,443	
3,265,913	Sundry Creditors		10,181,432	
5,306,171	Deposits		6,158,660	
<u>38,295,208</u>			<u>57,902,956</u>	
423,369,676	NET CURRENT ASSETS			426,047,475
<u>1,129,534,945</u>	TOTAL ASSETS			<u>1,182,533,843</u>
	FINANCED BY			
1,005,577,139	General Fund		1,061,934,704	
	PROVISIONS			
5,345,136	Passage Fund		5,558,942	
	OTHER BALANCES			
118,612,670	Other Balances	6.00	115,040,197	1,182,533,843
<u>1,129,534,945</u>				<u>1,182,533,843</u>

AMENDED INCOME AND EXPENDITURE ACCOUNT
For year ended 30 June 2017

2016		Note	2016/2017	
Rs			Rs	Rs
INCOME				
119,749,587	Government Grant-In-Aid		265,910,000	
22,412,719	General Rates		47,378,370	
5,027,938	Investment Income	1.05	10,898,211	
14,569,356	Rentals		30,889,901	
15,756,925	Trade Fees	1.04	27,676,851	
-	Taxes			
3,459,072	Building and Land Use Permits		5,335,934	
2,697,001	Other Income	1.08	4,705,422	
183,672,598				392,794,689
EXPENDITURE				
122,961,033	Staff Costs	4	261,452,489	
23,578,964	Supplies & Services		51,810,657	
4,444,228	Transport costs		8,514,498	
5,444,717	Other Administration Costs	5	9,249,385	
1,272,673	Social and Cultural Activities Expenses		2,391,199	
588,500	Grants and Subsidies		713,002	
9,800,000	Contribution to Funds/Provisions	1.06/3.00	13,700,000	
14,561,985	Pensions and Gratuities	4.01	29,806,152	
182,652,100				377,637,382
1,020,498	Surplus For The Period			15,157,307

CASH FLOW STATEMENT

For the year ended 30 June 2017

2016		2016/2017	
Rs		Rs	Rs
OPERATING ACTIVITIES			
116,596,183	Cash received from Grants-In-Aid	259,133,272	
18,358,273	Cash received from rates and taxes	50,190,367	
18,419,646	Cash received from Fees-8th & 11th Schedules	33,795,329	
17,232,201	Cash received from other sources	37,918,696	
170,606,303		381,037,664	
(46,189,815)	Cash payments to Suppliers/Contractors	(108,431,337)	
(127,244,339)	Cash paid to and on behalf of employees	(268,232,395)	
(2,827,851)	Net cash Outflow from Operating Activities	(376,663,732)	4,373,932
RETURNS ON INVESTMENT AND SERVICING OF FINANCE			
13,747,503	Interest received on Investment	585,900	
13,747,503	Net Cash Inflow from R.O.I and S.O.F		585,900
INVESTING ACTIVITIES			
(15,000,000.00)	Investments	(10,000,000)	
(6,638,277.00)	Payments to increase Capital Outlay	(22,784,229)	
(275,145.00)	Payments to increase Long Term Outlay	(12,050,430)	
	Receipt from sale of fixed assets	4,000	
(21,913,422)	Net Cash Outflow from Investing Activities		(44,830,659)
FINANCING ACTIVITIES			
10,307,315	Government Grants Received	36,392,914	
10,307,315	Net Cash Inflow from Financing Activities		36,392,914
(686,455)	Net Decrease in Cash and Cash equivalents		(3,477,913)
34,763,658	Cash & Cash Equivalents as at 01 January		34,077,203
34,077,203	Cash & Cash Equivalents as at 30 June		30,599,290

NOTES TO THE ACCOUNTS

1.00 ACCOUNTING POLICIES

- 1.01 (a) The Accounts have been prepared on a historical cost basis.
 (b) The Accounts have been prepared for a period of 12 months (July 2016 to June 2017) and the comparative figures are for a period of 6 months (January to June 2016).
 1.02 Stock has been valued on weighted average cost basis.
 1.03 No Depreciation is charged in the Accounts.
 1.04 All income and expenditure have been dealt with on the accrual basis.
 1.05 Interest on investments have been accounted for on the accrual basis and credited to the Income and Expenditure Account.
 1.06 Pension Obligations:-

(a) In line with the Local Government Act 2011, our Pension Fund created after PRB 2008, to meet our pension liability as from July 2008 for municipal employees has been transferred to Sicom Ltd in January 2013. During the period 2016/2017 our total contributions representing employer's contributions of 12 % and employee's contributions of 6% amounted to Rs 29,243,202 for Defined Benefit Scheme and for Defined Contribution Scheme Rs. 1,215,450.

The market value of the fund as at 30.06.17 stood at Rs 240,792,208 (computed by Sicom Ltd).

(b) FIGURES FOR IPSAS25 ADOPTION FOR YEAR ENDED 30 JUNE 2017

	Year ending 30 June 2017
Amounts recognised in statement of financial position at end of year:	Rs
Present value of funded obligation (Fair value of plan assets)	219,525,466 (240,792,212)
Present value of unfunded obligation	(21,266,746)
Unrecognised actuarial gain/(loss)	-
Unrecognised transition amount	(43,924,554)
Liability recognised in statement of financial position at end of year	(65,191,300)
Amounts recognised in statement of financial performance:	
Current service cost	21,219,228
(Employee contributions)	(9,723,905)
Fund expenses	583,434
Interest cost	12,199,674
(Expected return on plan assets)	(13,865,541)
Actuarial loss/(gain) recognised	1,363,285
Past service cost recognised	-
Transition effect of adopting IAS 19	-
Total, included in staff costs	11,776,175
Movements in liability recognised in statement of financial position:	
At start of year	(57,426,807)
Total staff cost as above	11,776,175
(Actuarial Reserves transferred in)	(92,857)
(Contributions paid by employer)	(19,447,811)
At end of year	(65,191,300)
Actual return on plan assets:	
Main actuarial assumptions at end of year:	15,922,234
Discount rate	6.50%
Expected rate of return on plan assets	6.50%
Future salary increases	4.00%
Future pension increases	3.00%

The assets of the plan are invested in funds managed by State Insurance Company of Mauritius Ltd. The discount rate is determined by reference to market yields on bonds.

FIGURES FOR IPSAS25 ADOPTION FOR YEAR ENDED 30 JUNE 2017

	<i>Year ending 30 June 2017</i>
	Rs
<i>Reconciliation of the present value of defined benefit obligation</i>	
Present value of obligation at start of period	187,687,287
Current service cost	21,219,228
Interest cost	12,199,674
(Benefits paid)	(5,573,198)
Liability (gain)/loss	3,992,475
Present value of obligation at end of period	<u>219,525,466</u>
<i>Reconciliation of fair value of plan assets</i>	
Fair value of plan assets at start of period	201,762,038
Expected return on plan assets	13,865,541
Employer contributions	19,447,811
Employee contributions	9,723,905
Actuarial Reserves transferred in	92,857
(Benefits paid + other outgo)	(6,156,632)
Asset gain/(loss)	2,056,692
Fair value of plan assets at end of period	<u>240,792,212</u>
<i>Distribution of plan assets at end of period</i>	
<i>Percentage of assets at end of year</i>	2017
Fixed interest securities and cash	56.6%
Loans	4.4%
Local equities	15.8%
Overseas bonds and equities	22.6%
Property	0.6%
Total	<u>100%</u>
<i>Additional disclosure on assets issued or used by the reporting entity</i>	
<i>Percentage of assets at end of year</i>	2017
	(%)
Assets held in the entity's own financial instruments	0
Property occupied by the entity	0
Other assets used by the entity	0
<i>History of obligations, assets and experience adjustments</i>	
Year	2017
Currency	Rs
Fair value of plan assets	240,792,212
(Present value of defined benefit obligation)	<u>(219,525,466)</u>
Surplus/(deficit)	21,266,746
Asset experience gain/(loss) during the period	2,056,692
Liability experience gain/(loss) during the period	<u>(3,992,475)</u>

- (b) Regarding our pension liability prior to July 2008, no specific fund was set up for same. Following the computation of our pension liability prior to July 2008 by Sicom Ltd provisions were made in previous financial years for that purpose.

1.07 Pending Litigation & other obligations:

(a) Claim from Mechanisation Company Ltd for non payment of Rs 429,614.40 together with interest and costs as regards to contract for supply of two tractors and three trailers. The above sum represented liquidated damages applied by the Council for delay in the supply of the tractors & trailers. As at balance sheet date judgment is still being awaited.

(b) EPI Contracting & Co Ltd has lodged a case against the Council claiming the sum of Rs 424,324.20. This sum represents liquidated damages applied by the Council for delay in implementation of the project "Supply, Fixing and Commissioning of one lift system at Belle Rose Municipal Complex". In addition a sum of Rs 42,432.42 being 10% Attorney's Commission and the sum of Rs 6,364.86 representing 15% VAT has been claimed. As at balance sheet date the case has not yet been decided.

1.08 OTHER INCOME

	Rs
This includes:	
Fees-Financial Controllers Department-Advertisement Publicity	2,164,125
Library	115,651
House Refuse-Removal of Abnormal Refuse	328,800
Processing Fees	6,500
Fees Crematorium	644,300
Stock Adjustment	37,236
Insurance Receipt	100,369
Admission Charges	88,058
Penalties	134,986
Miscellaneous Income	1,030,467
Others	54,930
	<u>4,705,422</u>

2.00 FIXED ASSETS CAPITAL OUTLAY

	Balance @ 1st July 2016 Rs	Additions/ Acquisitions Rs.	Disposals / Written off Rs	Balance @ 30 June 2017 Rs
2.01 Capital Outlay Schedule				
Land & Buildings	256,144,234	11,003,971		267,148,205
Vehicles	70,079,773	5,452,692		75,532,465
Office Equipment, Furniture & Fittings	13,327,919	1,007,949		14,335,868
Computers	18,797,627	1,139,562		19,937,189
Plant & Equipments	23,613,962	2,481,676		26,095,638
Donated Assets	40,259,095			40,259,095
Others:-	51,042,319			51,042,319
Purchase of materials for Kennedy f.ball ground				
Pere Laval Candos Ebene Pavillon		73,778		73,778
Children playground at Pere Laval		569,610		569,610
Construction of gradin at Palma football Ground		1,399,999		1,399,999
Handrails at Candos Hill		17,240		17,240
Upgrading of green space at Morc Bassin		14,231		14,231
Children play Equipment for playground of Jeewoonarain ave Palma		219,249		219,249
Purchase of sign plates		82,110		82,110
Upgrading of 10 Municipals and 3 football playgrounds within premises of govt primary schools		80,017		80,017
Fixing of handrails at B.Rose		216,798		216,798
Supply & Fixing of street name plates		555,874		555,874
Upgrading of Children garden at Jeewoonarain		90,021		90,021
Provision of artificial turfing at Jeewoonarain		260,335		260,335
Children Playground		14,490		14,490
Small assets				
	<u>473,264,929</u>	<u>24,679,602</u>	<u>0</u>	<u>497,944,531</u>

	Balance @ 1st July 2016 Rs.	Additions/ Acquisitions Rs.	Disposals / Written off Rs.	Balance @ 30 June 2017 Rs.
2.02 Other Long Term Outlay Schedule				
Roads	122,052,644	7,346,747	-	129,399,391
Drains & Bridges	62,170,856	18,294,750	-	80,465,606
Street Lighting	23,480,039	-	-	23,480,039
Donated Assets	24,620,368	-	-	24,620,368
Others:-				
- Refuse Depots	37,591	-	-	37,591
- Installation of lighting points Le Pavillon	29,696	-	-	29,696
- Lighting at Town Hall Yard	184,847	-	-	184,847
- Footpath & Handrails within the town	324,299	-	-	324,299
	232,900,340	25,641,497	-	258,541,837

3.00 DEBTORS

	Gross Rs	Provision Rs	Net Amount Rs
General Rates	43,705,682	10,800,000	32,905,682
Tenants Tax	14,518,663	12,286,000	2,232,663
Car Loan	5,036,498	-	5,036,498
Market & Fairs	14,874,359	2,200,000	12,674,359
Market & Fairs Vella Cannosamy & food court	166,500	-	166,500
Trade Fees	33,100,232	6,000,000	27,100,232
Advertisement	414,575	-	414,575
Rent	793,339	500,000	293,339
Interest Accrued	17,044,961	-	17,044,961
Others:-			
- Advances	291,143	-	291,143
- Debtors Capital Grants	486,677	-	486,677
- Sundry Debtors	3,730	-	3,730
- Debtors Bustolls	37,250	-	37,250
- Debtors GRF to TELETHON Fund	88,335	-	88,335
- Debtors Lease of site for display	66,962	-	66,962
	130,628,906	31,786,000	98,842,906

- The total amount of Rs 14.6 m for Tenants Tax includes an amount of Rs 6.5m owed by Infinity BPO Ltd which might not be recovered as the company is in liquidation.

- Provision for bad debts is based on past experience.

4.00 STAFF COSTS

This includes:

	Rs
Salaries & Wages	169,365,555
Bonus	15,765,004
Travelling	14,653,545
Overtime	12,282,738
Uniforms	3,620,152
Passages	5,999,999
Sick Leave	7,300,000
Others:	
Allowances	4,286,220
Training Fees	72,346
Staff Welfare	138,075
Insurance-Employees	829,390
National Pension and Saving Fund	3,388,687
Contribution to Pension Fund	20,305,768
Contribution to Family Protection Scheme	3,445,010
	261,452,489