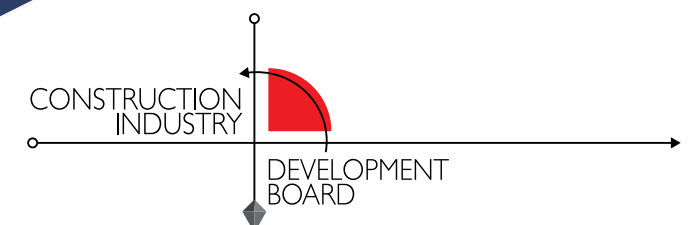


Construction Industry  
Development Board

# ANNUAL REPORT 2011

Construction Industry Development Board  
5th & 6th Floors, Mutual Aid Building II,  
5 Guy Rozemont Square, Port Louis, Mauritius



# CONTENTS

MESSAGE FROM THE CHAIRPERSON

02

OFFICER-IN-CHARGE REVIEW

03 › 08

ABOUT THE CIDB

09

CORPORATE GOVERNANCE REPORT

10 › 14

REPORT ON THE 3-YEAR STRATEGIC PLAN

15 › 19

REPORT OF THE DIRECTOR OF AUDIT

22 › 23

FINANCIAL STATEMENTS

26 › 29

NOTES TO THE FINANCIAL STATEMENTS

30 › 40

CONSTRUCTION  
INDUSTRY  
DEVELOPMENT  
BOARD

ANNUAL REPORT 2011

## MESSAGE FROM THE CHAIRPERSON

I have the pleasure, to present the Annual Report of the Construction Industry Development Board for the year ended 31 December 2011 in accordance with Section 33(2) of the Construction Industry Development Board Act.

This Annual Report highlights the main activities of the Construction Industry Development Board undertaken in the fiscal year 2011. It also gives the Financial Report of the Board and the Report of the Director of Audit for fiscal year 2011.

I would like to thank the Hon. Minister of Public Infrastructure and Land Transport as well as the staff of his Ministry for providing the necessary support and guidance to the Construction Industry Development Board during the year 2011.

I also wish to seize this opportunity to thank all the Council Members, the Officer-in-Charge and the staff of the Construction Industry Development Board for their dedicated efforts towards meeting the objectives of Construction Industry Development Board in the fiscal year 2011.

### GAETAN SIEW

Chairperson

## OFFICER-IN-CHARGE REVIEW

The construction industry though not a main pillar of the economy is considered to be of no less importance and a mainstay that significantly supports the economic development of Mauritius.

On its own the construction industry has contributed around 6.5% of the GDP in 2011. Total investment in the construction industry in the fiscal year has been around Rs 18.6 billion and the number of persons directly employed in the industry was around 55,000. These statistics clearly demonstrate the importance of this sector for the Mauritian economy.

However, in 2011, the construction industry has registered a decline of 1.8% after the 4.3% growth in 2010. This indicates the shrinking tendency of the industry. As a result of this trend, during the 2012 budget preparation, government took some bold measures to address the situation. In this respect an amount of Rs 21.2 billion was earmarked for key infrastructure projects in 2012. On the other hand, the Board of Investment is working hard to encourage foreign direct investment especially in real estates which would undoubtedly give a boost to the construction industry.

Due to the heavy reliance of Mauritius on the global economy, the construction sector may witness a difficult year ahead in view of the global economic situation and the persisting euro crisis. However, it is estimated that the construction sector is likely to grow by 3.5% which would mainly be driven by public sector investment as announced in the 2012 Budget.

Hereunder, I highlight the key activities and achievements of the Construction Industry Development Board (CIDB) in its endeavour to promote the development and improvement of the construction industry in the year 2011.

### 1. Regulations for Registration of Consultants and Contractors

There is a general perception that the only role of the CIDB is to register consultants and contractors. Although this would be one of the main activities of CIDB, its mandate encompasses much more than the registration of consultants and contractors.

However, in order to really kickstart the CIDB, the first step is to proceed with the registration of consultants and contractors. Unless and until this exercise is completed, it would not be easy for CIDB to position itself as an apex body in the construction industry.

As a result of the enactment of the new CIDB Act in 2008, the provisions of the new Act with regards to registration of consultants and contractors are required to have supporting Regulations to enable the registration of consultants and contractors.

The draft regulations for registration of consultants and contractors were prepared and number of meetings was subsequently held with the State Law Office to discuss the provisions thereof.

However, by the end of the 2011, the Regulations were still unfinalized because of extensive consultations that were required.

### 2. Promoting the development of SME Contractors

One of the main objectives of CIDB is to “promote and encourage the participation of the small and medium enterprises in the construction industry”.

In this respect and as a response to the difficulties and inefficiencies of small contractors to ensure continued success of their business, CIDB held a 12-hours training programme spanned over four weekly sessions of 3 hours in February 2011. The aim was to help improve the knowledge of small contractors about the tendering process. The training programme was themed “Tender Procedures and Contract Management”. However, the content of the training also included other topics of significant relevance to the SME contractors such as “Project Management”, “Reasons for poor Contractors’ Performance”, “Assistance and Support to SME Contractors” among others.

CIDB also held a full-day workshop in collaboration with the Association of Small Contractors in September 2011. The theme of the Workshop was “Tender Procedures and Contract Management”.

### 3. National Schedule of Rates

CIDB piloted the development of a National Schedule of Rates in 2011. The development of the National Schedule of Rates was in fact initiated by Statistics Mauritius through the Ministry of Finance and Economic Development.

Statistics Mauritius, through the Ministry of Finance and Economic Development, commissioned the development of the National Schedule of Rates for the construction industry along with a series of other Construction Price Indices for non-residential buildings and civil engineering works with a view to consolidate the provisions of statistics needed for policy and strategy formulation in the economic and social development process.

The CIDB in line with its function to regularly publish construction rates, has during the development of the National Schedule of Rates, taken over the project from Statistics Mauritius and has assumed the responsibility for its publication. The National Schedule of Rates is going to be updated and revised regularly by CIDB in collaboration with Statistics Mauritius.

The National Schedule of Rates is in fact a list of frequently used construction items with the rates broken down into labour, material and plant. Each unit rate reflects a realistic and competitive pricing level currently predominant within the industry. The unit rates in the National Schedule of Rates are being compiled from over 1000 price items and are being built on an average best price basis. This has necessitated extensive consultations with stakeholders of the industry and various government institutions are directly involved in the project.

The National Schedule of Rates would be published and launched in early 2012.

### 4. Conditions of Contract for Houses and Minor Works

CIDB is mandated to “develop standard forms of construction agreements and contracts”. In that respect, it was decided to develop a suite of Standard Conditions of Contract starting with a “Conditions of Contract for Minor Works”.

A Committee drafted a Model Terms of Contract for Houses and Minor Works. Subsequently, there have been a number of consultations with stakeholders on the draft document.

In March 2011, a final workshop was held to discuss the last draft of the Conditions of Contract for Houses and Minor Works. The draft Conditions of Contract was subsequently revised accordingly.

The draft Conditions of Contract for Houses and Minor Works would be launched in early 2012 and would be very useful for small construction projects.

### 5. Amendment of CIDB Act

During the development of the regulations for registration of consultants and contractors, the State Law Office pointed out that the CIDB Act had a few shortcomings which would likely have an impact on the regulations. It was advised to undertake a few amendments to the CIDB Act prior to finalizing the regulations.

In the context of the budget preparation for 2012, the opportunity to undertake the required amendments of the CIDB Act through the Economic and Financial Measures (Miscellaneous Provisions) (No. 2) Act 2011 was seized.

The main changes were in fact related to the definition of the terms “consultant”, “contractor”, “foreign consultant” and “foreign contractor”.

The amendments brought to the CIDB Act would accelerate the finalization of the regulations for registration of consultants and contractors which would likely be proclaimed in early 2012.

### 6. Consolidating the Human Resource Capacity

With the new CIDB Act 2008, provision was made for a post of Executive Director to head the organization. This was followed with a new organizational structure which provided for two main divisions, viz. an Administration Division and a Technical Division each to be under the immediate responsibility of a Manager. The new organizational structure provided for a total of ten grades including that of the Executive Director.

Almost half of the vacancies in the different grades were filled by the end of September 2010. The other vacancies would be filled in 2012.

### 7. Development of a Guide for Best Practice

Best practice is nowadays being introduced throughout the world as a business imperative which offers competitive advantage to an organization. Businesses implementing best practices have been identified as organization with higher profits, improved safety and productivity. It has been noticed that construction companies implementing best practices achieve better client satisfaction, safer construction sites and reduced environmental impact.

In this respect, a workshop was held in August 2011 to discuss on the strategy to promote best practice in the construction industry. It was concluded that the best way to promote best practice in the construction industry would be through the development of a "Guide to Best Practice in Construction". Such an initiative has been undertaken in many countries and has proved to be very useful.

A Committee comprising representatives of different sectors of the industry has been set up in 2011 to draft a Guide to Best Practice. The Committee is expected to complete its assignment by mid-2012.

### 8. Development of a Guide for Construction of a House

Building a house is most of the time a dream for anyone as it often implies a lifetime investment. However, when deciding to build a house people frequently find themselves in a complex situation where they do not know where to start and how to plan their project properly.

In this connection, it was considered useful to develop a step-by-step manual to provide guidance to the public in organizing and planning the construction of a house. The manual would provide information viz. factors to be considered with respect to the financing, planning and designing of a house. It would also explain on the different permits such as Building and Land Use Permits required and the parties involved in the process of construction until the project is completed successfully.

As developing such a manual requires a lot of input at different levels, a Committee has been set up in 2011 comprising relevant stakeholders to prepare the Guide. The Committee is expected to complete its assignment by mid-2012.

### 9. Capacity Building in the Construction Industry

It was decided to "develop a Strategy with respect to Capacity Building for the Construction Industry" and in particular to identify training needs in the sector and how to meet those training needs. In March 2011, a Committee was set up to come up with a strategy for capacity building.

As a basis for its assignment, the Committee conducted two surveys, one from the demand side for training required and the other one from the providers of training in the sector.

The Committee submitted its Report in December 2011. The Report is seen as a stepping stone towards a structured approach to Capacity Building in the construction industry. It pointed out that CIDB has a leading role to play in bringing stakeholders from both the supply and demand side in the industry on a common platform to interact and thereby help to define a common strategy for Capacity Building.

### 10. Review of Vision and Mission Statements

Ever since the inception of CIDB in 2004, it has not been possible to develop a proper vision and a mission statement for the organization due to several reasons mainly because of the review and amendment of the CIDB Act.

In 2007, the first vision and mission statements were elaborated in the context of the preparation of the Strategic Plan for the Ministry of Public Infrastructure, National Development Unit, Land Transport and Shipping. However, by the time the new CIDB Act was proclaimed in 2008 and the changes that took place in the industry over the past few years, there was need to review the existing vision and mission statements of CIDB.

A brainstorming session was held at Council level and after extensive discussions the new vision and mission statements of the CIDB were elaborated.

### 11. Development of Website

The CIDB had until September 2011 not been able to host a website of its own. In this information age it is difficult for an organization like the CIDB to do without a website. Nowadays a website is more of a necessity for an organization. A website opens up a window of the organization to the world and is an essential tool which facilitates the transmission of information to its stakeholders.

Furthermore, CIDB is also mandated "to develop and maintain a construction industry information system". In order to achieve this objective it was essential to start by hosting a website as a basic tool for the development of the information system.

In this respect, the National Computer Board was approached for the development of the website. In September 2011, the website was launched.

In future, the website would be used to allow for online registration of consultants and contractors and would subsequently be enhanced to provide other online services.



12. Memorandum of Understanding with CIArb (Mauritius)

The Chartered Institute of Arbitrators (CIArb), which is an international organisation of Arbitrators, has set up a branch in Mauritius. Its objective is the global promotion, facilitation and development of all forms of private dispute resolution.

The CIArb expressed its willingness to support government business facilitation strategy which advocates Alternative Dispute Resolution (ADR) mechanism to resolve commercial disputes in lieu of litigation. It would tap into the CIArb’s global experience and expertise and also draw upon local knowledge of senior members of the Mauritian branch to propose solutions adapted to the Mauritian context. The CIArb proposed to offer their assistance, advice and guidance in the drafting of contractual provisions for effective dispute resolution in all forms of contract commonly used in Mauritius. It could also arrange for the education and training of Arbitrators, Adjudicators and Mediators to service the construction industry.

CIDB seized the opportunity to develop a collaborative working relation with the CIArb. In that respect, CIDB invited the CIArb to enter into a Memorandum of Understanding. The latter has agreed to the request and the Memorandum of Understanding which would be signed in early 2012.

THE WAY FORWARD

The year 2011 has been one where CIDB has been able to start operating more effectively as it has been provided with at least half of its initial Human Resource requirement.

However, despite the numerous challenges ahead in the construction industry, CIDB undertakes to play a more active role in leading the development of the sector. Furthermore, we are convinced that with the concerted efforts of all stakeholders of the construction industry, it would be easier to face the challenges ahead.

I wish to seize this opportunity to thank the Hon. Minister of Public Infrastructure & Land Transport and his staff for their unflinching support to the CIDB and rely on their continued support to help improve the construction industry.

I also wish to seize this opportunity to thank the Chairperson and the Council Members for their guidance and leadership. Last but not least, I wish to express my gratitude to the support of my staff without whom it would have been practically impossible to manage the CIDB in such circumstances.

Trilock Bhunjun  
Officer-in-Charge

The Construction Industry Development Board (CIDB) is a statutory body established under the CIDB Act of 2008. The overriding objective of the CIDB is to promote the development and improvement of the construction industry.

CIDB operates under the aegis of the Ministry of Public Infrastructure and Land Transport. It is governed by a Council comprising 12 members including a Chairperson.

CIDB aims at providing leadership and guidance towards the development of a competitive and world class construction industry.

CIDB is provided with a comprehensive set of objects and functions which empowers it to ensure the proper development of the construction industry.

VISION

CIDB as the apex body leading the construction industry towards a marked contribution to economic growth and sustainable development in line with best international practice.

MISSION

Formulate and implement coordinated strategy embarking all stakeholders in the enhancement of the construction industry to make it more accessible, innovative, transparent, sustainable, competitive and safe.

VALUES

OUR CORE VALUES ARE

- EXCELLENCE We strive for excellence in our service.
- RESPONSIBILITY We are responsible towards our staff, community and the environment.
- QUALITY We are committed, at every level, to provide the highest quality services to our stakeholders.
- COHESIVENESS We work together to foster team spirit.
- INTEGRITY We promote the highest standards of professional ethics.

The Council is ultimately responsible and accountable for the performance and affairs of the CIDB. It subscribes to sound corporate governance principles and ensures that the highest standards of business ethics, honesty and integrity are maintained.

The role and functions of the Council include:

- Providing strategic direction and leadership;
- Reviewing objectives, strategies and structures with a view to satisfying stakeholder's interest;
- Ensuring that the CIDB complies with all relevant laws, regulations, codes of best practice, and guidelines laid down in the Code of Corporate Governance;
- Ensuring greater levels of fairness, transparency and accountability in the decisions and actions of the CIDB;
- Ensuring the integrity of CIDB's accounting and financial reporting system for monitoring and managing, financial control and compliance with law and relevant accounting standards.

## Compliance and Enforcement

The Construction Industry Development Board commits itself to the highest standards of corporate governance and ensures compliance with the Code of Corporate Governance for Mauritius and the Guidance Notes for State-Owned Enterprises issued by the National Committee on Corporate Governance.

## Profile of the Council

The Construction Industry Development Board Act provides for a Council to administer the Construction Industry Development Board.

The Council is constituted of a Chairperson and eleven members. The members of the Council are non-executive directors and independent professionals. The members represent the interests of the different sectors of the construction industry so that they can bring a wide range of experience and professional skills to the Council.

The Chairperson and two members of the Council are appointed by the Minister, whereas the other members are designated by their respective organization to sit on the Council.

## COUNCIL MEMBERS FOR 2011

### Mr R.P. Nowbuth

Chairperson  
Permanent Secretary  
Ministry of Public Infrastructure, National Development Unit, Land Transport and Shipping

### Mr R. S. Sonea

Principal Assistant Secretary  
Representative of Ministry of Public Infrastructure, National Development Unit, Land Transport and Shipping

### Mr D. A. Balloo

Deputy Director (Architecture)  
Representative of Ministry of Public Infrastructure, National Development Unit, Land Transport and Shipping

### Mrs P. Dassaye

Assistant Secretary  
Representative of Ministry of Labour, Industrial Relations and Employment  
Mr S. Ragavan (in replacement of Mrs P. Dassaye with effect from May 2011)

### Mrs G. Ramnauth

Assistant Secretary  
Representative of Ministry of Education and Human Resources

### Mrs L. Chummun-Bhujohory

Assistant Technical Manager  
Representative of Mauritius Standards Bureau

### Mr J. Desai

Director  
Desai & Associates Ltd  
Representative of Institution of Engineers Mauritius

### Mr D. D. Bunjun

Resident Project Manager  
National Assembly  
Representative of Mauritius Association of Architects

### Mr S. Ragoo

Director  
Ragoo Associates Ltd  
Representative of Mauritius Association of Quantity Surveyors

### Mr G. Saddul

Director  
Property & Assets Valuation Ltd  
Representative of Mauritius Institute of Surveyors

### Mr G. Uckoor

Contractor  
Representative of Small and Medium Enterprises of Construction Sector

### Mr B. Ramloll

Director  
Ramloll Bhooshan Renovation & Building Contractor  
Representative of Contractors' Association

## REMUNERATION DRAWN BY CHAIRPERSON, COUNCIL MEMBERS AND COMMITTEE MEMBERS

The Chairperson is paid a fixed monthly fee as per the recommendation of the Pay Research Bureau.

Council and Committee Members on the other hand are paid an attendance fee for meetings attended together with a commuted travelling allowance per sitting in accordance with Pay Research Bureau recommendations.

# CORPORATE GOVERNANCE REPORT

## Council and Committee Meetings

Council Meetings as per the provision of the CIDB Act are scheduled monthly in advance. Special Council Meetings are also convened to address urgent and specific issues whenever necessary. Committees have been set up to enable the Board to give closer attention to important issues facing the organization. For the year ended 31 December 2011, the number of times the Council and the Committees met and the total fees paid to the Chairperson and other members (both previous & current) are as follows:

Members	Council Meetings	HRC	CBC	GFBPC	GFCHC	TOC	BEC	Total Fees (Rs)
	14	1	3	2	2	3	3	
Mr R. P. Nowbuth	14/14							189,000
Mr R. S. Sonea	14/14	1/1	3/3			1/3	3/3	24,141
Mr D. A. Balloo	11/14							15,475
Mrs P. Dassaye	1/14							825
Mr S. Ragavan	9/14					1/3		8,400
Mrs G. Ramnauth	11/14	1/1						13,350
Mrs L. Chummun-Bhujohory *	4/14					2/3		8,950
Mr J. Desai	10/14		3/3					18,175
Mr D. D Bunjun	12/14		3/3				3/3	37,285
Mr S. Ragoo	13/14		3/3			2/3		23,825
Mr G. Saddul	5/14							4,725
Mr G. Uckoor	9/14							8,725
Mr B. Ramloll	4/14							3,300
Mr. V. Chintaram					2/2			2,150
Mr. V. Toofany				2/2				1,550
Mr. R. Mootanah				2/2				1,550
Mr. V. Nuckcheddy				2/2				1,550
Mr C. E. Wong So				2/2				2,120
Mr R. Phul					2/2			1,550
Mr O.C. Domah					1/2			775
Mr T. H. Kodabacus					1/2			775
Mr H. V. Jadav					1/2			1,550
Mrs S. Nahaboo					2/2			1,550
Mr. V. Conhye							1/3	5,000
Mr. R. Callychurn				1/2				775
Mr. K. B Kotawaroo							1/3	2,250

<b>HRC</b>	Human Resource Committee	<b>GFCHC</b>	Guide for Construction of House Committee
<b>CBC</b>	Capacity Building Committee	<b>TOC</b>	Tender Opening Committee
<b>GFBPC</b>	Guide for Best Practice Committee	<b>BEC</b>	Bid Evaluation Committee

\* Mrs L. Chummun-Bhujohory was on leave abroad for three months.  
She was also on three months sick leave following a severe road accident.

# CORPORATE GOVERNANCE REPORT

## Senior Management

Mr. Trilock BHUNJUN (Officer in Charge) is a Fellow of the Association of Chartered Certified Accountants and also holds an MBA. He holds the post of Manager, Corporate Services on the permanent establishment of the Board.

## Donation

No donation has been effected during the year 2011.

## Conflict of Interest

Section 14 of the CIDB Act stipulates that “a member of the Council, the Executive Director or any employee who has a direct or indirect interest in any matter to be brought before the Council shall –

- (i) immediately inform the Council; and
- (ii) not participate in the deliberations or any part of the decision making process in relation to that matter.

In order to ensure the independence of the Council, members are required to disclose any conflict of interest when they are appointed and also in the course of their tenure of office as Council Members.

In case of conflict of interest, a member is required to act in accordance with the above provisions. As regards conflict of interest by the Executive Director, he has to inform the Council immediately and the latter would issue such directives as it may deem necessary.

On the other hand, where an employee has a conflict of interest, he has to inform the Executive Director who then issues such directives as he feels proper.

## External Audit

The External Auditors for the auditing of the Consolidated Annual Report for the year ended 31 December 2011 of the Board is the National Audit Office. It is responsible for reporting as to whether the financial statements are fairly presented.

## Statement of Council's Responsibilities

It is the responsibility of the Council to prepare the Financial Statements in accordance with the relevant accounting policies and standards and to set up an adequate Internal Control System to ensure reasonable assurance that control objectives are adhered to. However, in view of the present circumstances, the need for an Internal Controller is not warranted. Council nevertheless acknowledges its responsibility for internal control and in this respect ensures that:-

- (i) management has relevant experience and skills for the proper running of the organisation;
- (ii) proper segregation of duties are in place;



- (iii) the Officer-in-Charge undertakes adequate supervision on the duties of all the staff;
- (iv) cheques are signed by both the Chairman and the Officer-in-Charge;
- (v) the Officer-in-Charge has a limit for expenditure.
- (vi) funds required are released on a monthly basis by the parent Ministry upon full justification of the required amount.

The Council has overall responsibility for the Board's system of risk management and for reviewing its effectiveness. The Council views management of risk as integral to good business practice with a view to support management's decision-making, improves the reliability of business performance, and assist in the preparation of the Board's Annual Accounts. The Board delegates the responsibility for designing, operating and monitoring the system of risk management to executive management.

The Council reports that the Financial Statements fairly represent the affairs of the operation and cash flows for the period. Council further ensures that the Financial Statements have been prepared in accordance with the Financial Reporting Framework and Standards issued by the Financial Reporting Council and in compliance with the Statutory Bodies (Accounts and Audit) Act.

In the absence of its own Accounting Manual, the Board complies with the requirements of the Financial Management Manual. The controls maintain at the Board ensures that the provisions of the Construction Industry Development Board Act and other financial procedures are adhered to.

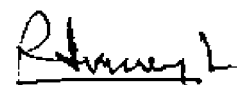
The Council also acknowledges the responsibilities for the proper safeguarding of the assets of CIDB, maintaining of adequate accounting records and it commits itself for the prevention and detection of fraud and any irregularities.

The Council further reports that the principles of good corporate governance have been adopted as far as possible.

**Since we have no personal knowledge of the contents of this annual report, we are not in a position to approve it. However, we hereby give a qualified approval of same on the basis of our knowledge derived solely from the relevant records. Such approval is being given solely for the purpose of allowing the auditor to audit the financial statements under the Statutory Bodies (Accounts and Audit) Act.**



**G. Siew**  
Chairperson



**R. Servansingh**  
Member

The overriding objective of the CIDB is to "promote the development and improvement of the construction industry". CIDB is mandated with a comprehensive set of objects and functions to attain its overriding objective of promoting the development and improvement of the construction industry.

## The Vision of the CIDB is:-

CIDB as the apex body leading the construction industry towards a marked contribution to economic growth and sustainable development in line with best international practice.

## The Mission of the CIDB is:-

Formulate and implement coordinated strategy embarking all stakeholders in the enhancement of the construction industry to make it more accessible, innovative, transparent, sustainable, competitive and safe.

In accordance with the Programme Based Budget framework, an initial 3-year Strategic Plan for fiscal years 2008/09 to 2010/11 was developed in 2008 to help define the strategies over a 3 years period. On the basis of the 3-year Strategic Plan, the annual budget is usually prepared.

Given that CIDB was operating with limited human and financial resources, it has been difficult to meet all the objectives set in the initial 3-year Strategic Plan developed in 2008.

That initial Strategic Plan has been used as the basis for the Action Plan for fiscal year 2011.

The 3-year Strategic Plan highlights the crucial importance for the CIDB to ensure the proper development and expansion of the construction industry. It shows the direction that the organization should take in the long term.

The key objectives set for 2011 are as follows:

1. Reinforcing the Human Resources Capacity.
2. The Registration of Consultants and Contractors.
3. Capacity Building for the construction industry.
4. Development of a Sector Strategy Paper.
5. Development of a Conditions of Contract for Minor Works.
6. Publication of a National Schedule of Rates.
7. Development of a Construction Industry Information System.

## 1. Reinforcing the Human Resources Capacity

The Construction Industry Development Board has since its inception in 2004 been operating with a manpower comprising only three officers.

When the CIDB Act 1997 was repealed and replaced in 2008, the new Act has made provision for an Executive Director to head the organization as the Chief Executive Officer. The new organizational structure which was subsequently established by the Council provided for the Executive Director to be immediately assisted by the Manager Corporate Services and a Technical Manager. The organizational structure additionally comprises the grades of Technical Coordinator and Technical Assistant to support the Technical Manager, whereas the Manager, Corporate Services is supported by an Accounting Technician, an Administrative Assistant, Clerical Officers and Word Processing Operators/Receptionists.

Only half of the vacancies that existed were filled by end of September 2010. The remaining vacancies could not be filled in 2011 because of the constraint on the budget and would thus be filled in the course of 2012.

## 2. Registration of Consultants and Contractors

The aim of the registration of consultants and contractors is to compile a national register of consultants and a national register of contractors operating in the construction industry.

The registration of consultants and contractors would inter alia –

- Support the risk management of clients.
- Reduce tendering costs to clients.
- Provide a performance record of consultants and contractors.
- Regulate and promote best practices among consultants and contractors.
- Provide data on consultants and contractors operating in the construction industry, with regard to their capabilities and performances.
- Ensure proper management of contracts and delivery in the construction sector.
- Provide a framework for the development and growth of the construction industry as a whole.

As the regulations to support the registration has not yet been finalized it has not been possible to undertake the registration of consultants and contractors in the year 2011. It is expected that the registration exercise would be undertaken in 2012.

## 3. Capacity Building for the Construction Industry

The aim of Capacity Building is to ensure that there is enough capacity to meet the demand for construction works and services in the long run. As a first step towards this endeavour, a Committee was set up to identify training needs in the sector and how to meet those training needs.

The Committee submitted a Report to the Council in December 2011. The recommendations of the Report is being considered by the Council for its eventual implementation in 2012.

## 4. Development of a Sector Strategy Paper

In order to be able to provide the necessary direction and leadership to the construction industry there is need to first start with a comprehensive study of the industry. This study should determine the status of the industry and identify the constraints, strengths, the challenges and the opportunities thereof. The study should generate a Report with proper recommendations to give direction to the industry and helps the CIDB achieves its objectives and functions.

It is therefore important that a "Sector Strategy Paper for the Construction Industry" be developed by a consultant to help CIDB gauge the current status of the construction industry and develop proper strategies accordingly to achieve its objective of developing and improving the construction industry.

As it is not possible to fund this project from the budget of CIDB, the Ministry of Finance and Economic Development has been requested to provide the necessary funding for the project. The latter has earmarked funds for this project in the 2012 budget.

## 5. Development of Conditions of Contract for Minor Works

One of the functions of CIDB is to develop standard forms of construction agreements and contracts. In this respect, it was decided to develop a complete suite of Conditions of Contract adapted to the local conditions of the market starting with a Standard Conditions of Contract for Minor Works.

A Committee comprising representatives of the different sectors of the industry was set up to develop the "Conditions of Contract for Minor Works". A first draft document was elaborated and several workshops were subsequently held with stakeholders. The document has been subject to much discussions at different levels of the industry. The draft document has been critically examined and revised. The Conditions of Contract is being fine-tuned and would be published in early 2012.

## 6. Publication of a National Schedule of Rates

In its endeavour to develop more construction price indices, Statistics Mauritius initiated the development of a Schedule of Rates. Since the CIDB is mandated to publish Schedule of Rates, Statistics Mauritius subsequently requested CIDB to take over the project.

The project was jointly monitored by the CIDB, the Ministry of Public Infrastructure & Land Transport and the Ministry of Finance and Economic Development.

The National Schedule of Rates is a book that is going to provide detailed rates for construction works. It is expected to be a very useful benchmarking tool for the construction industry. It would also serve stakeholders of the construction sector as a basis for pricing construction works at the most competitive rates. It would further provide foreign bidders with a comprehensive guide to current unit price for building works on the local market. The National Schedule of Rates would be published in early 2012. It would be mostly used by consultants and contractors but also by investors in the real estate sector.

## 7. Development of a Construction Industry Information System

The Construction Industry Development Board which is an apex body of the construction industry cannot avail not to keep pace with the development in Information and Communication Technology. It should make the optimum use of Information Technology in its endeavour to promote the development and improvement of the construction industry.

In this respect, a website was developed and launched in September 2011. The website provides general information on the construction industry. The website would in future be used as a focal point for the posting of all tenders for construction works and consultancy services floated by public bodies and could ultimately accommodate tenders from the private sector.

In the fiscal year 2011, the key strategies identified by the Board were translated into a series of actions to help attain the objectives of the main programmes as set in the Programme Based Budget which were as follows:

- (i) Increased compliance to establish standards and guidelines in the construction industry.
- (ii) Properly designed framework for registration of consultants and contractors.
- (iii) Benchmark schedule for cost estimation of building and civil works to avoid unrealistic cost estimates.
- (iv) Development of a National Focal Point for advice and complaints related to the construction industry.
- (v) Support to small and medium contractors for improved delivery of services.
- (vi) Promote sustainable development through Green and Intelligent Building in Mauritius.

The following performance indicators were set:

- (i) Publication of National Registers of Consultants and Contractors

The National Registers would be published upon completion of the first exercise of registration of consultants and contractors.

- (ii) Publication of the National Schedule of Rates

The National Schedule of Rates is going to be published in early 2012.

- (iii) Code of Practice on Green Building

The CIDB intends to develop a Code of Practice on Green Building. However, given that there are several initiatives being undertaken by different governmental and non-governmental institutions, CIDB is awaiting the development of the following endeavours to be able to proceed with the Code of Practice on Green Building:

## 1. The Building Control Bill

The Ministry of Public Infrastructure and Land Transport is developing a legislation to provide an overarching legal framework for building control. This legislation would inter alia make provisions for energy efficient buildings and would also covers other aspects related to green building.

## 2. Sustainable Construction

The Ministry of Environment and Sustainable Development on the other hand is developing a guide for sustainable construction.

It would have been premature to come up with a Code of Practice in Green Building without taking into consideration the Building Control Bill and the initiatives being undertaken in this respect by the Ministry of Environment and Sustainable Development. It has therefore been decided to await the finalization of these two initiatives towards green building so as to have a better direction and guidance towards the development of Code of Practice on Green Building.

## Conclusion

One of the main functions of Construction Industry Development Board is to Register Consultants and Contractors. This was one of the main objectives set for the year 2011.

However, as the regulations for registration of consultants and contractors has not been finalized by the end of year 2011, it has not been possible to proceed with the registration of consultants and contractors.

It is therefore expected that the regulations for Registration of Consultants and Contractors would be proclaimed early 2012 and thereafter the registration of consultants and contractors would be undertaken and the National Registers of Consultants and Contractors would be published. The registration activity would generate revenue and would provide the means for CIDB to increase its human resource capacity. CIDB would then be in a better position to work towards the achievement of its other objectives.



# **REPORT OF THE DIRECTOR OF AUDIT**

TO THE BOARD  
OF THE CONSTRUCTION  
INDUSTRY  
DEVELOPMENT BOARD

# REPORT OF THE DIRECTOR OF AUDIT

## TO THE BOARD OF THE CONSTRUCTION INDUSTRY DEVELOPMENT BOARD

### Report on the Financial Statements

I have audited the accompanying financial statements of Construction Industry Development Board, which comprise the statement of financial position as of 31 December 2011, the statement of financial performance, statement of changes in general fund and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting and Accounting Standards issued under Section 72 of the Financial Reporting Act, 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.

### Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards off Supreme Audit Institutions. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In my opinion, the financial statements give a true and fair view of the financial position of the Construction Industry Development Board as at 31 December 2011, and of its financial performance and its cash flow for the year then ended in accordance with Financial Reporting and Accounting Standards.

### Report on Other Legal and Regulatory Requirements

#### Management's Responsibility

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the laws and authorities which govern them.

# REPORT OF THE DIRECTOR OF AUDIT

## TO THE BOARD OF THE CONSTRUCTION INDUSTRY DEVELOPMENT BOARD

### Auditor's Responsibility

In addition to the responsibility to express an opinion on the financial statements described above, my responsibility includes expressing an opinion on whether the activities, financial transactions and information reflected in the financial statements are, in all material respects, in compliance with the laws and authorities which govern them.

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

### Statutory Bodies (Accounts and Audit) Act

In my opinion, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the Statutory Bodies (Accounts and Audit) Act.

### Other Matter

The delay in the issue of the Audit Report was due to various amendments made in the financial statements. An amended set of Financial Statements was submitted on 22 August 2016.

### Public Procurement Act

The Construction Industry Development Board is responsible for the planning and conduct of its procurement. It is also responsible for defining and choosing the appropriate method of procurement and contract type in accordance with the provisions of the Act and relevant Regulations. My responsibility is to report on whether the provisions of Part V of the Act regarding the Bidding Process have been complied with.

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



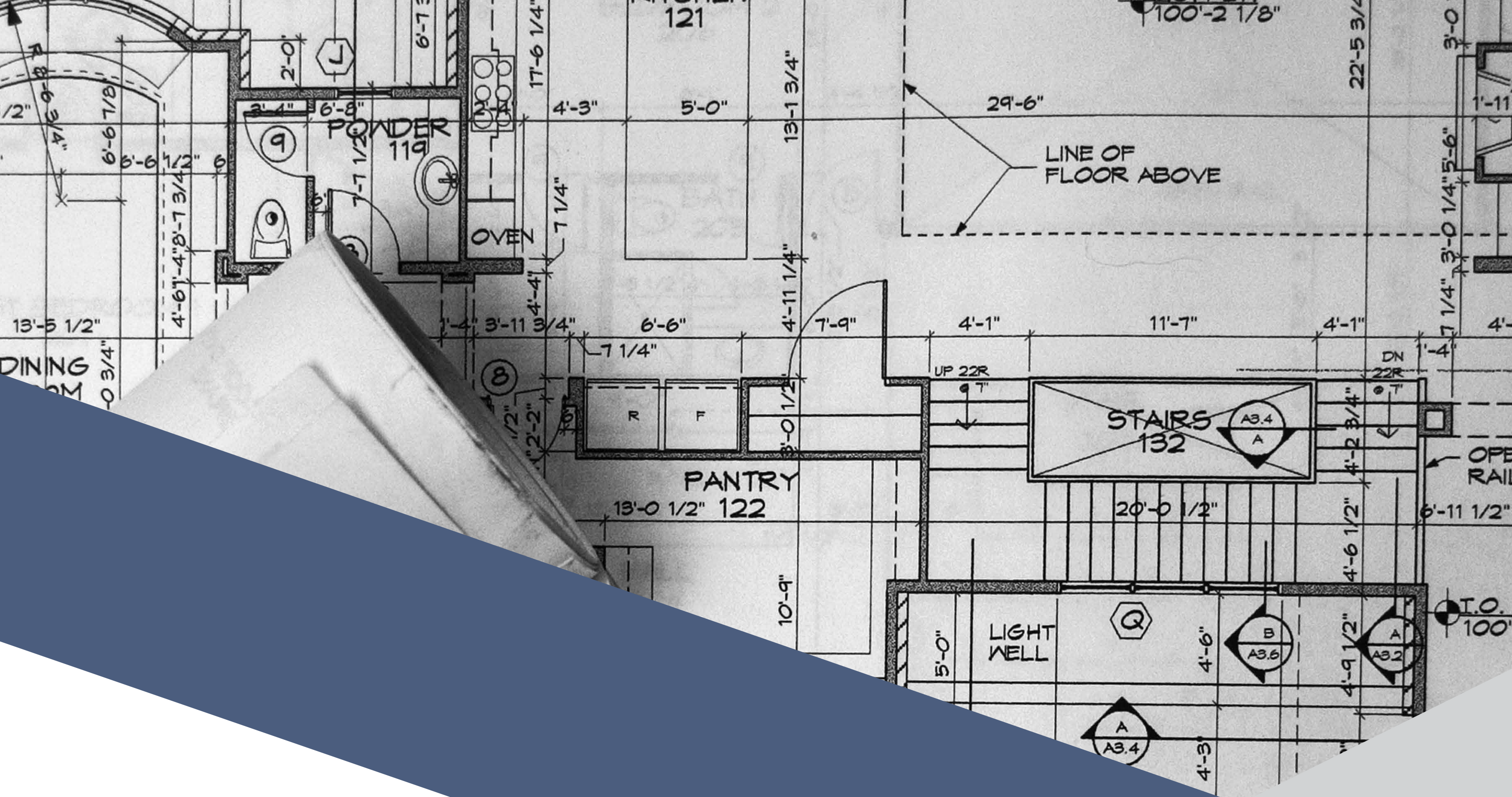
**K. C. TSE YUET CHEONG (MRS)**

Director of Audit

National Audit Office  
Level 14  
Air Mauritius Centre  
PORT LOUIS

22 September 2016





# FINANCIAL STATEMENTS

# FINANCIAL STATEMENTS

## Statement of Financial Position as at 31 December 2011

	Notes	PERIOD January 2011 to December 2011 Rs	PERIOD July 2010 to December 2010 Rs
<b>ASSETS</b>			
Non-Current Assets			
Property, Plant and Equipment	3	1,100,504	1,304,743
Retirement Pension Asset	2.8	240,526	72,356
		<b>1,341,030</b>	<b>1,377,099</b>
Current Assets			
Prepayments & Receivables	4	430,383	218,830
Cash and Cash Equivalents	5	345,385	29,609
		<b>775,768</b>	<b>248,439</b>
<b>TOTAL ASSETS</b>		<b>2,116,798</b>	<b>1,625,538</b>
<b>FINANCED BY</b>			
General Fund	6	1,428,821	840,160
Non-Current Liabilities			
Long Term Employee Benefits Obligations	7	420,143	307,898
Current Liabilities			
Accruals & Payables	8	234,661	352,480
Short Term Employee Benefits Obligations	9	33,173	125,000
		<b>267,834</b>	<b>477,480</b>
		<b>2,116,798</b>	<b>1,625,538</b>

The Notes to the Accounts on pages 30 to 40 form part of the Financial Statements.

Since we have no personal knowledge of the contents of this annual report, we are not in a position to approve it. However, we hereby give a qualified approval of same on the basis of our knowledge derived solely from the relevant records. Such approval is being given solely for the purpose of allowing the auditor to audit the financial statements under the Statutory Bodies (Accounts and Audit) Act.

**G. SIEW**  
Chairperson

**R. SERVANSINGH**  
Member

Approved by the Council on 09 August 2016

# FINANCIAL STATEMENTS

## Statement of Financial Performance for the year ended 31 December 2011

	Notes	PERIOD January 2011 to December 2011 Rs	PERIOD July 2010 to December 2010 Rs
<b>REVENUE</b>			
Government Grant			
Recurrent Grant		4,791,024	2,435,929
Capital Grant		16,845	146,297
Workshop Fees		200,800	-
		<b>5,008,669</b>	<b>2,582,226</b>
<b>EXPENSES</b>			
Depreciation	3	221,084	122,811
Employee's Salaries and Benefits	10	2,348,064	1,052,162
Other Expenses	11	1,847,661	900,719
Finance Costs	12	3,199	-
		<b>4,420,008</b>	<b>2,075,692</b>
<b>Surplus for the accounting period</b>		<b>588,661</b>	<b>506,534</b>



## FINANCIAL STATEMENTS

### Cash Flow Statement for the year ended 31 December 2011

	PERIOD January 2011 to December 2011 Rs	PERIOD July 2010 to December 2010 Rs
Cash Flows from Operating Activities		
Surplus for the period	588,661	506,534
Adjustments for Non-Cash Movements		
Depreciation of Property, Plant and Equipment	221,084	122,811
<b>Operating Surplus before Working Capital changes</b>	<b>809,745</b>	<b>629,345</b>
Increase in Trade and Other Receivables	(211,553)	(48,512)
Increase in Retirement Pension Assets	(168,170)	(44,102)
Increase (decrease) in Trade Payables	(117,819)	(491,115)
Increase in Employee Benefit Payable	20,418	101,917
<b>Net Cash from Operating Activities</b>	<b>332,621</b>	<b>147,533</b>
Cash flows from Investing Activities		
Acquisition of Fixed Assets	(16,845)	(146,297)
<b>Net Cash Flow from Investing Activities</b>	<b>(16,845)</b>	<b>(146,297)</b>
<b>Net increase (decrease) in Cash and Cash Equivalents</b>	<b>315,776</b>	<b>1,236</b>
Cash and Cash Equivalents at beginning of the period	29,609	28,373
Cash and Cash Equivalents at end of year	345,385	29,609

## FINANCIAL STATEMENTS

### Statement of Changes to General Fund for the year ended 31 December 2011

#### CIDB FUND

	Rs
<b>Balance as at 01 February 2009</b>	<b>(497,832)</b>
Net Surplus for the period ended 30 June 2010	831,458
<b>Balance as at 30 June 2010</b>	<b>333,626</b>
Net Surplus for the period ended 31 December 2010	506,534
<b>Balance at 31 December 2010</b>	<b>840,160</b>
Net Surplus for the period ended 31 December 2011	588,661
<b>Balance at 31 December 2011</b>	<b>1,428,821</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended at 31 December 2011

## 1. General information

The Construction Industry Development Board is a statutory body established under the CIDB Act 2008. The overriding objective of the Board is to promote the development and the improvement of the construction industry. In order to attain this objective, the CIDB is provided with a comprehensive set of objects and functions as per Sections 5 & 6 of the CIDB Act. The CIDB is both a regulatory body and a facilitator to the construction industry. It operates under the aegis of the Ministry of Public Infrastructure and Land Transport. It is administered by a Council comprising a Chairperson and eleven members. The Council fairly represent the wide cross section of the construction industry.

The office of the CIDB is located on the 5th & 6th Floors, Mutual Aid Building II,  
5 Guy Rozemont Square, Port Louis

## 2. Accounting policies

The principal accounting policies of the CIDB are:-

### 2.1 Basis of Preparation

The financial statements have been prepared in accordance with the Financial Reporting Framework and Standards issued by the Financial Reporting Council and in compliance with the Statutory Bodies (Accounts and Audit) Act.

The Financial Statements have been prepared on a going concern basis and on the accrual basis of accounting. The measurement base applied is historical cost. The level of rounding used in presenting the amounts in the financial statement is to the nearest rupee.

### 2.2 Accounting period

The previous Financial Statements were exceptionally prepared for a period of six months from 1 July 2010 to 31 December 2010 to cater for the change in the reporting period to calendar year. The present Financial Statements are therefore prepared for a period of twelve months ended 31 December 2011. As such, the figures reported for the previous financial statements are not comparable with the figures reported in this financial period.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended at 31 December 2011

## 2.3 Property, Plant and Equipment

Items of property, plant and equipment are measured at cost or valuation less accumulated depreciation and any impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using straight line method. Additions during the year bear a full year depreciation charge whereas no depreciation is charged in the year of disposal. The following annual rates are used for the depreciation of property, plant and equipment:

Office Equipment	- Electronic Equipment	20%
	- Furniture & Fittings	10%
	- Safe	5%
IT Equipment		20%
Motor Vehicle		10%

Individual asset of value less than Rs 2,000 each is not capitalised. Such assets are reported in the Inventory Sheet in the office where they are located and used.

## 2.4 Revenue Recognition

Government grants are recognised on cash basis as income and are matched against the operational expenses of the Board. Government grants and other Income is recognised in the Statement of Financial Performance in the year to which it relates. Grants are released on a monthly basis as per requirement of the Board to meet its monthly expenses.

## 2.5 Provisions

A provision is recognised when there is a present legal or constructive obligations as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each Financial Position date and adjusted to reflect the current best estimate.

## 2.6 Impairment of assets

At each reporting date, Property, Plant and Equipment are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in Statement of Financial Performance.

## 2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and cash in hand.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended at 31 December 2011

## 2.8 Employees Entitlements

Employees entitlements to salaries, pension costs, and other benefits are recognised when they are earned.

### Sick Leave Bank

Employees are allowed to accumulate sick leave not taken at the end of each calendar year up to a maximum of 110 days, in a Sick Leave Bank as at 31 December 2011. The balance of banked sick leave is valued at the end of the financial year and is recognised as long term payables. Beyond the ceiling of 110 days, officers are refunded part of the annual entitlement of sick leave not taken at the end of every calendar year and is expensed to the Statement of Financial Performance.

### Passage Benefits

A provision is made for the estimated liability for passage benefits. The passage benefits for each staff is valued at year end and is included as short-term liabilities. The annual increase in passage benefits is expensed to the Statement of Financial Performance.

### Retirement Benefits Obligation

Provision for retirement benefits for the employees of CIDB are made under the Statutory Bodies Pension Act of 1978 as amended. The Fund provides retirement benefits for its employees through a defined benefit plan called "CIDB Staff Pension Fund". The contributions vested in the Fund is managed by the State Insurance Company of Mauritius Ltd (SICOM Ltd). The cost of providing the benefit is determined in accordance with an actuarial review. The net liability at balance sheet date is determined as the present value of funded obligations after adjusting for the fair value of plan assets, any unrecognised actuarial gains and losses and any recognised transition amount. The current service cost and any recognised past service cost are included as an expense together with the interest cost, net of expected return on plan assets. The pension plan is a final salary defined benefit for staff.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended at 31 December 2011

## 2.8 Employees Entitlements (cont'd)

The statement of actuarial valuations of plan assets and the present value of the defined benefit obligations as at 31 December 2011 was as follows:-

	YEAR ENDED 31 December 2011 Rs	6 MONTHS period ended 31 Dec. 2010 Rs
<b>Amounts recognised in balance sheet at end of year</b>		
Present value of funded obligation	183,491	67,546
(Fair value of plan assets)	(414,554)	(82,319)
	(231,063)	(14,773)
Present value of unfunded obligation	-	-
Unrecognised actuarial gain/(loss)	(9,463)	(57,583)
<b>Liability recognised in Balance sheet at end of year</b>	<b>(240,526)</b>	<b>(72,356)</b>

### Amounts recognised in income statement

Current service cost	110,014	29,287
(Employee Contributions)	(89,349)	(23,442)
Fund expenses	6,626	260
Interest cost	7,092	1,932
(Expected return on plan assets)	(22,315)	(5,254)
Actuarial loss/gain) recognised	(1,542)	-
Transition effect of adopting IAS 19	-	-
<b>Total, included in staff costs</b>	<b>10,526</b>	<b>2,783</b>

### Movements in liability recognised in balance sheet:

At start of year	(72,356)	(28,254)
Total staff cost as above	10,526	2,783
(Contributions paid by employer)	(178,696)	(46,885)
At end of year	<b>(240,526)</b>	<b>(72,356)</b>
<b>Actual return on plan assets:</b>	<b>8,574</b>	<b>4,507</b>



# NOTES TO THE FINANCIAL STATEMENTS

for the year ended at 31 December 2011

## 2.8 Employees Entitlements (cont'd)

	YEAR ENDED 31 December 2011	6 MONTHS period ended 31 Dec. 2010
<b>Main actuarial assumption at end of year</b>		
Discount rate	10.50%	10.50%
Expected rate of return on plan assets	10.50%	10.50%
Future salary increases	7.50%	7.50%
Future pension increases	5.50%	5.50%

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

	YEAR ENDED 31 December 2011 Rs	6 MONTHS period ended 31 Dec. 2010 Rs
<b>Reconciliation of the present value of defined benefit obligation</b>		
Present value of obligation at start of period	67,546	36,795
Current service cost	110,014	29,287
Interest cost	7,092	1,932
Benefits paid	(1,016)	-
Liability (gain)/loss	(145)	(468)
Present value of obligation at end of period	183,491	67,546
<b>Reconciliation of fair value of plan assets</b>		
Fair value of plan assets at start of period	82,319	65,049
Expected return on plan assets	22,315	5,254
Employer contributions	178,696	46,885
Employee contributions	89,349	23,442
Benefits paid+ other outgo	(7,641)	(260)
Asset gain/(loss)	49,516	(58,051)
Fair value of plan assets at end of period	414,554	82,319

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended at 31 December 2011

## 2.8 Employees Entitlements (cont'd)

	YEAR ENDED 31 December 2011 Rs	6 MONTHS period ended 31 Dec. 2010 Rs
<b>Distribution of plan assets at end of period</b>		
Percentage of assets at end of year	Dec. 2011	Dec, 2010
Government securities and cash	50.6%	52.2%
Loans	7.8%	7.8%
Local equities	23.2%	25.2%
Overseas bonds and equities	17.5%	14.0%
Property	0.9%	0.8%
Total	100.0%	100.0%

	Dec. 2011	Dec, 2010
<b>Additional disclosure on assets issued or used by the reporting entity</b>		
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

	Dec. 2011 Rs	Dec, 2010 Rs
<b>History of obligations, assets and experience adjustments</b>		
Fair value of plan assets	414,554	82,319
Present value of defined benefit obligation	(183,491)	(67,546)
Surplus/(deficit)	231,063	14,773
Asset experience gain/(loss) during the period	49,516	(58,051)
Liability experience gain/(loss) during the period	145	468

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended at 31 December 2011

## 2.8 Employees Entitlements (cont'd)

### Other Post-Employment Benefits

No provision for accrued Vacation Leave is made as employee benefits for accumulated Vacation Leave can only be cashed in extremely rare cases.

### State Plan

Contributions to the National Savings Fund in respect of all employees and contributions to the National Pension Scheme in respect of employees on contract or temporary basis are expensed to the Statement of Financial Performance.

## 2.9 Accounts Receivable and Prepayments

Receivables and prepayments are stated at their nominal value.

## 2.10 Accounts Payables and Accrued Expenses

Payables and accruals are stated at cost except for the retirement benefit obligations figure which is stated as per the actuarial report.

## 2.11 Reporting Currency

The financial statements are presented in Mauritian Rupees

## 3. Property, Plant and Equipment

Particulars	Office Equipment Rs	IT Equipment Rs	Motor Vehicle Rs	Total Rs
Cost - 1 January 2011	653,454	402,674	1,032,900	2,089,028
Additions during the accounting period	10,865	5,980	-	16,845
Cost - 31 December 2011	664,319	408,654	1,032,900	2,105,873
Aggregate depreciation - 1 January 2011	348,916	237,397	197,972	784,285
Depreciation for the accounting period	53,584	64,210	103,290	221,084
Aggregate depreciation - 31 December 2011	402,500	301,607	301,262	1,005,369
Net book value - 01 January 2011	304,538	165,277	834,928	1,304,743
Net book value - 31 December 2011	261,819	107,047	731,638	1,100,504

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended at 31 December 2011

## 4. Prepayments & Receivables

	PERIOD January 2011 to December 2011 Rs	PERIOD July 2010 to December 2010 Rs
Rent	20,000	-
Water	-	338
Motor Vehicle Running Expenses	37,121	40,872
Office Expenses, General Stores and Stationery	371,622	175,980
Insurance	1,640	1,640
	<b>430,383</b>	<b>218,830</b>

## 5. Cash and Cash Equivalents

Cash in hand	4,226	786
Cash at Bank	341,159	28,823
	<b>345,385</b>	<b>29,609</b>

## 6. General Fund

Opening Balance	840,160	333,626
Surplus for the period	588,661	506,534
Closing Balance	<b>1,428,821</b>	<b>840,160</b>

## 7. Long Term Employee Benefits Obligations

	PERIOD January 2011 to December 2011 Rs	PERIOD July 2010 to December 2010 Rs
<b>Sick Leave Bank Account</b>		
Opening Balance	296,189	209,195
Increase in provision	88,954	86,994
Closing Balance	<b>385,143</b>	<b>296,189</b>
<b>Passage Benefits Obligation</b>		
Amount payable in more than one year (Note 9)	<b>35,000</b>	<b>11,709</b>

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended at 31 December 2011

### 8. Accruals & Payables

	PERIOD January 2011 to December 2011 Rs	PERIOD July 2010 to December 2010 Rs
Travelling & Mileage Allowance	10,655	13,230
End of Year Bonus	4,653	-
NSF Contribution	-	39,515
NPF Contribution	-	129,974
Gratuity	23,252	31,287
Annual Leave	11,097	11,088
Council & Committee Fees	-	8,900
Professional Fees	140,000	90,000
Electricity	4,204	8,962
Water	278	353
Telephone	3,717	10,976
Motor Vehicle	8,183	2,195
Security Services	28,622	-
Cleaning Expenses	-	6,000
	<b>234,661</b>	<b>352,480</b>

### 9. Short Term Employee Benefits Obligations

#### Passage Benefits Obligation

Opening Balance	136,709	121,786
Entitlement for the period	41,418	14,923
	178,127	136,709
Disbursement during the period	127,805	-
	<b>50,322</b>	<b>136,709</b>

Amount payable in less than one year

**15,322**      **125,000**

#### Sick Leave Payment

Refund of Sick Leave not taken beyond the ceiling of 110 days	17,851	-
---	--------	---

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended at 31 December 2011

### 10. Employee Salaries and Benefits

	PERIOD January 2011 to December 2011 Rs	PERIOD July 2010 to December 2010 Rs
Salaries	1,580,979	560,109
Compensation 2009	10,200	4,234
Compensation 2010	31,605	11,593
Compensation 2011	12,373	-
Travelling & Mileage Allowance	313,470	122,618
Allowances	800	85,435
End of Year Bonus	119,816	48,325
Sick Leave Payment	17,851	-
Sick Leave Bank Balance	88,954	86,994
Passage Benefits	41,418	14,923
Uniform Allowance	-	5,020
Staff Pension Scheme	10,120	2,782
Family Protection Scheme	29,425	7,814
NSF Contribution	6,910	3,852
NPF Contribution	23,967	8,184
Annual Leave	11,097	48,495
Staff Welfare	20,827	24,075
Staff Training	5,000	-
Gratuity	23,252	17,709
	<b>2,348,064</b>	<b>1,052,162</b>

### 11. Other Expenses

Council & Committee Fees	421,524	226,300
Professional Fees	50,000	40,000
Rent	240,000	120,000
Electricity	54,514	25,218
Water	3,330	1,925
Telephone	71,706	27,630
Motor Vehicle Running Expenses	103,541	70,158
Office Expenses, General Stores and Stationeries	111,111	123,595
Workshop, Conference & Mission	232,470	83,337
Press Notices, Printing and Publications	116,054	139,062
Repairs and Maintenance	46,520	6,459
Cleaning Expenses	73,000	36,000
Security Services	321,835	-
Insurance	2,056	1,035
	<b>1,847,661</b>	<b>900,719</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended at 31 December 2011

## 12. Finance Costs

	PERIOD January 2011 to December 2011 Rs	PERIOD July 2010 to December 2010 Rs
Bank Charges	3,199	-
	<b>3,199</b>	<b>-</b>

## 13. Subsequent Event Review

There is no event subsequent to the period end which requires disclosure.

## 14. Related Party Transactions

The Construction Industry Development Board is a statutory body operating under the aegis of the Ministry of Public Infrastructure and Land Transport (MPI). It received government grant through the MPI to finance its recurrent expenditure during the period. The related transactions between the CIDB and the MPI were as follows:

- (i) A monthly rent of Rs. 20,000 paid for office accommodation in two Government Quarters at Mgr O. Barry Street, Floreal, owned by the Ministry. The total amount of rent paid for the accounting period was Rs. 240,000.
- (ii) Overtime for watchmanship services were paid to watchmen of the MPI who worked over and above their normal working hours. The total amount paid for the services for the accounting period was Rs. 321,835.

## 15. Top Management

The top management of the CIDB comprises only of the Manager, Corporate Services who is also acting as Officer in Charge of the Board. The remuneration of the top management was Rs 624,505 for the period ended 31 December 2011.