
**REPORT OF THE
DIRECTOR OF AUDIT**

**On the Financial Statements
of the Construction Industry Development Board
for the year ended 30 June 2019**



NATIONAL AUDIT OFFICE

REPORT OF THE DIRECTOR OF AUDIT TO THE BOARD OF THE CONSTRUCTION INDUSTRY DEVELOPMENT BOARD

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of Construction Industry Development Board, which comprise the statement of financial position as of 30 June 2019 and the statement of financial performance, statement of changes in general fund and the cash flow statement for the year then ended, and notes to the financial statements, including of significant accounting policies.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the Construction Industry Development Board as at 30 June 2019, and of its financial performance and cash flows for the year then ended in accordance with Financial Reporting Standards for Small Entities issued under Section 72 of the Financial Reporting Act.

Basis for Opinion

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 Construction Industry Development Board 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 opinion.

Key Audit Matters

Key audits matters are those matters that, in my professional judgement, 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. I have determined that there are no key audit matters to communicate in my report.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report of the Construction Industry Development Board, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Financial Reporting Standards for Small Entities 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.

In preparing the financial statements, management is responsible for assessing the Construction Industry Development Board's ability to continue as a going concern, disclosing, as appropriate, 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 for overseeing the Construction Industry Development Board'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 skepticism 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 Construction Industry Development Board'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 on 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 Construction Industry Development Board'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 Construction Industry Development Board 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 Responsibility 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 Construction Industry Development Board's operations are conducted in accordance with the provisions of the laws and regulations, including compliance with provisions of laws and regulations that determine the reported amounts and disclosures in an entity's financial statements.

Auditor's Responsibility

In addition to the responsibility to express an opinion on the financial statements described above, I am also responsible to report to the Board 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) The Statutory Bodies (Accounts and Audit) Act and any directions of the Minister, in so far as they relate to the accounts, have been complied with;
- (c) In my opinion, and, as far as could be ascertained from my examination of the financial statements submitted to me, any expenditure incurred is of an extravagant or wasteful nature, judged by normal commercial practice and prudence;
- (d) In my opinion, the Construction Industry Development Board has been applying its resources and carrying out its operations fairly and economically; and
- (e) The provisions of Part V of the Public Procurement Act regarding the bidding process have 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 opinion.

Opinion on Compliance

Statutory Bodies (Accounts and Audit) 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.

The Construction Industry Development Board has complied with the Statutory Bodies (Accounts and Audit) Act and directions of the Minister in so far as they relate to the accounts.

Based on my examination of the accounts of the Construction Industry Development Board, nothing has come to my attention that indicates that:

- (a) any expenditure incurred was of an extravagant or wasteful nature, judged by normal commercial practice and prudence; and
- (b) the Board has not applied its resources and carried out its operations fairly and economically.

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

23 July 2020

ANNUAL REPORT 2018-19



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MESSAGE FROM THE CHAIRPERSON

I am pleased to present the Annual Report of the Construction Industry Development Board (CIDB) for the financial year ending 30 June 2019 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 financial year 2018/19. It also gives the Financial Status of the CIDB for that period.

The construction industry has been performing very well with a growth rate of around 8.5 % as at June 2019 and it is expected that this would continue for a few more years.

2019 is yet another landmark with the overhaul of the corporate identity of CIDB. Through this rebranding, we want to express our determination to play a more affirmative role in a sector which continues to grow steadily. We are driven by the desire of building and strengthening bridges with our stakeholders and clients, for them to fully grasp all the dimensions of our multi-faceted organization and hence converge towards our platform to form a common front in an inclusive process for the benefit of the industry.

For many, CIDB is synonymous with policies, registration and regulations. There is however more to CIDB than just being a regulator and a watchdog. This rebranding exercise will help us to better express our diversified identity, by keeping our stakeholders informed of the diverse activities that we undertake, while remaining stringent when it comes to our values.

I seize this opportunity to thank the Honourable Minister of Public Infrastructure & Land Transport, the staff of the Ministry, my colleagues of the Council of the Construction Industry Development Board, as well as the management and staff of the CIDB for their cooperation and support throughout this year.

Nadia DABY SEESARAM

EUR ING, FIEM, RPEM, Environmental Engineer

Chairperson

EXECUTIVE DIRECTOR'S MESSAGE

I am pleased to present the Annual Report of the Construction Industry Development Board, comprising its activities and accounts, for the financial year ending 30 June 2019.

An important development over this period was the introduction of new Regulations under the CIDB Act. These Regulations cater for the registration of consultants in new fields, such as Environmental Engineering, Interior Design, Landscape Architecture and Urban Planning. They also provide for suppliers of construction materials, plant and equipment to be registered with the CIDB. Under the new Regulations, other service providers such as CAD Operators/Draughtsmen, Technician in Construction and Third Party Certifiers operating in the construction sector, are now required to be registered as well.

Another significant development was the Memorandum of Understanding (MoU) that was signed in April 2019, between the CIDB and the Mauritius Chamber of Commerce and Industry (MCCI). This was done with a view to opening the services of the MCCI Arbitration and Mediation Center (MARC) to stakeholders of the construction industry, and to foster a closer working relationship between the two institutions. This MoU will enable the CIDB to fulfil more effectively its role as a regulator, facilitator and training provider, particularly for arbitration and mediation of construction disputes.

As part of its rebranding exercise, CIDB launched its new logo and website in May 2019. This strategic rebranding has allowed the CIDB to reassess its role and core values, with a view to serving better the interests of the construction industry.

Besides the aforementioned developments, the CIDB also held several workshops and training sessions for the benefit of its key stakeholders.

Ramen BAHADOOR
Executive Director

The CIDB

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 11 members including the Chairperson.

CIDB is provided with a comprehensive set of *objects* and *functions* to enable it to achieve its goals.

Vision – Our future aims

To be a Global Reference in Construction.

Mission – Our organizational purpose

We exist to regulate and facilitate an efficient and effective Construction Industry.

Core Values

Learning:	We are a Learning Organisation.
Integrity:	We promote the highest standards of professional commitment, conduct and ethics.
Team Spirit:	Is our strategy
Excellence:	We strive for excellence in our services
Shared Value:	We have common values

Objects of the Board

- (a) promote the development and improvement of the construction industry;
- (b) promote sustainable growth of the construction industry;
- (c) promote and encourage the participation of the small and medium enterprises in the construction industry;
- (d) promote and assist in the export of services relating to the construction industry;
- (e) promote and stimulate quality assurance in the construction industry;
- (f) promote the awareness of the need for a safe and healthy work environment in the construction industry;
- (g) promote and establish best practice in the construction industry;
- (h) promote research and development relating to the construction industry; and
- (i) facilitate communication between stakeholders of the construction industry.

Functions of the Board

- (a) implement government policy relating to the construction industry;
- (b) regulate and register providers of construction works and construction services, and suppliers of construction materials, equipment, plant and labour for construction purposes;
- (c) register such construction projects as may be prescribed;
- (d) exercise regulatory functions in respect of the construction industry, including the registration of consultants and contractors;
- (e) provide advisory services to the construction industry and to the public in general;
- (f) publish an annual list of registered consultants and contractors;
- (g) advise and make recommendations to the Minister on matters relating to the construction industry;
- (h) encourage the standardisation and improvement of construction materials and techniques;
- (i) develop standard forms of construction agreements and contracts;
- (j) develop and maintain a construction industry information system;
- (k) develop and promote training programmes for operators of the construction industry;
- (l) advise relevant authorities on human resources development of the construction industry;
- (m) conduct surveys on the construction industry;
- (n) entertain complaints in connection with construction works and construction services and where necessary refer them to appropriate authorities;
- (o) publish periodically indicative schedules of rates for construction works;
- (p) register providers of dispute resolution services in the construction industry; and
- (q) perform such other functions as may be necessary to further its objects.

Corporate Governance Report

Section (8) of CIDB Act 2008 stipulates that the Board shall be administered by the Construction Industry Development Council. As such the Council is responsible and accountable for the performance of the Board. The Council ensures that sound corporate governance principles are adopted and that the highest standards of business ethics, honesty and integrity are adhered to.

The Council is mandated to:

- Provide strategic direction and leadership to the Board;
- Review the objectives, strategies and functioning of the Board;
- Ensure that the Board complies with all relevant laws, regulations, codes of best practice and guidelines laid down in the Code of Corporate Governance;
- Ensure fairness, transparency and accountability in the decisions and actions of the Board;
- Ensure the integrity of the Board'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 as far as possible 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 Council is constituted of a Chairperson and ten other members. The members of the Council are non-executive and independent. The members represent the full spectrum of the various sectors of the construction industry and therefore bring a wide range of experience and professional skills to the Council.

The Chairperson and four members of the Council are appointed by the Minister, whereas the other members are designated by their respective organization.

Council Members (01 July 2018 to 30 June 2019)

Mrs N. Daby Seesaram

Professional Engineer

Chairperson

Mr P. Mawah

Deputy Permanent Secretary

Representative of Ministry of Public Infrastructure and Land Transport

Mr A. Teeluckdharry

Assistant Permanent Secretary

Representative of Ministry of Local Government and Outer Islands

Mr Y. Pathel

Divisional Environment Officer

Representative of Ministry of Social Security, National Solidarity, and Environment and Sustainable Development (Environment and Sustainable Development Division)

Mr G. Uckoor

President of Association of Small Contractors

Representative of SME Contractors

Mr S. Pokun

Professional Architect

Representative of the Professional Architects' Council

Mr I. Rojoa

Professional Architect

Representative of the Professional Architects' Council

Mr S. Daliah

Professional Engineer

Representative of the Council of Registered Professional Engineers

Mr S. Ragoo *(Up to September 2018)*

Professional Quantity Surveyor

Representative of Professional Quantity Surveyors' Council

Mr V. Sadeo *(As from October 2018)*

Professional Quantity Surveyor

Representative of Professional Quantity Surveyors' Council

Mr R. Guppy

Professional Engineer

Representative of Building and Civil Engineering Contractors Association

Mr N. Pougnet

Chief Executive Director, Building & Civil Engineering Co. Ltd

Representative of Building and Civil Engineering Contractors Association

Mr S. Ramsurrun

Commercial Manager, System Building Contracting Ltd

Representative of Mechanical and Electrical Engineering Contractors Association

Mr G. Moorghen

Professional Architect

Appointed by Minister – A person having wide experience in the construction industry

Council and Sub-Committee Meetings

As per the provisions of the CIDB Act, Council Meetings are held on a monthly basis. Special Council Meetings are also convened to address urgent and specific issues whenever necessary. Sub-Committees have been set up to enable the Council to give closer attention to important issues facing the organization.

Corporate Development Committee

The Council had since 2015 set up a Corporate Development Committee (CDC) to examine all technical matters and applications for registration and to make appropriate recommendations thereon. The CDC was also mandated to examine and make recommendations on all administrative matters including financial and human resources issues before same are submitted to Council for approval.

Following the setting up of the Technical Development Committee in October 2018, the mandate of the CDC has been revised and the Committee is now responsible for examination of Administrative, Human Resource and Finance matters only before same are considered by Council.

Technical Development Committee

In view of the increasing workload and responsibilities of the CDC, the Council had in October 2018, decided to split the responsibilities of the CDC. Subsequently, another Sub-Committee namely the Technical Development Committee (TDC) was set up. The TDC has been mandated to examine all technical matters including applications for registration before same are submitted for the consideration of Council.

Action Plan Committee

Following the constitution of a new Council in September 2017, it was decided that the objects and functions of CIDB need to be reviewed to ensure that they reflect development in the construction industry. In this respect, a Committee was set up to develop an Action Plan for the CIDB to provide directions and the way forward for the period 2018 to 2021.

The Committee studied all previous Reports and Action Plans and after several meetings produced a Report which was approved by Council in November 2018.

It was then decided that another Committee should be set up to work out an Implementation Plan for the actions proposed in the Report submitted by the Action Plan Committee.

Action Plan Implementation Committee

The Council had in January 2019 set up an Action Plan Implementation Committee to prepare an Implementation Plan for the Action recommended in the Action Plan 2018-2021.

The Committee also has the responsibility to:

- (i) Determine the financial and non-financial resources required to implement the Action Plan 2018-2021;
- (ii) Set milestones for the implication of the Action Plan; and
- (iii) Define the Key Performance Indicators (KPI) for those actions.

The Committee is currently working on its Plan and its recommendations would be implemented as soon as they are finalized and approved.

Remuneration drawn by Chairperson, Council Members and Committee Members

The Chairperson is appointed by the Minister and is paid a fixed monthly fee determined by the Ministry of Public Infrastructure and Land Transport.

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

For the period 01st July 2018 to 30th June 2019, the number of meetings held by the Council and Committees and the attendance thereof, as well as the total net fees paid to the Chairperson and Members, were as follows:

Members	Council Meeting	CDC	TDC	Bid Opening Committee	APC	APIC	Total Fees (Rs)
	20	23	23	1	6	2	
Mrs. N. Daby Seesaram	20/20				6/6	2/2	480,000
Mr. P. Mawah	14/20						12,460
Mr. S. Pokun	13/20						11,570
Mr. S. Daliah	11/20	13/23	8/23				32,605
Mr. R. Guppy	8/20	1/23					7,935
Mr. N. Pougnet	4/20						3,560
Mr. S. Ragoo	6/20	7/23					13,705
Mr. G. Moorghen	9/20				6/6		12,900
Mr. A. Teeluckdharry	20/20	21/23	20/23	1/1		2/2	56,700
Mr G. C. J. Uckoor	17/20	13/23	19/23			2/2	42,840
Mr. S. Ramsurrun	19/20	14/23	3/23				30,765
Mr. Y. Pathel	7/20						6,230
Mr. V. Sadeo	12/20	5/23	22/23				38,765
Mrs. C. Rouillard	1/20						890
Mr. J. R. Fayolle	2/20						1,780
Mr. I. Rojoa	1/20						0

CDC - Corporate Development Committee

TDC - Technical Development Committee

APC - Action Plan Committee

APIC - Action Plan Implementation Committee

** Number of Meetings attended by every Member varies with respect to the period during which he/she was in Office.*

Senior Management

Mr. Ramen Bahadoor was appointed as Executive Director on a 2-year contract on 23 September 2015. His contract of employment was extended for one additional year with effect from 23 September 2017. Mr Bahadoor, who is a Chartered Engineer with over 30 years of practice in the private sector, is also a qualified Arbitrator, an accredited Mediator as well an Adjudicator specialising in construction disputes. He is a Fellow of the Institution of Engineers Mauritius, the Institution of Civil Engineers of UK, the Institution of Water and Environmental Management of UK, and the Chartered Institute of Arbitrators of UK.

Mr. Trilock Bhunjun is a Fellow of the Association of Chartered Certified Accountants and also holds an MBA. Mr. Bhunjun holds the post of Manager, Corporate Services on the permanent establishment of the Board. He is also the Secretary to the Council.

Mr Vinay Kumar Rawoo was appointed as Technical Manager in a temporary capacity with effect from 01 March 2018. He is a Civil Engineer with more than 15 years of experience in the private and public sector.

Mr. Darmanand Kowlessur was appointed as Manager, Technical Services on a 2-year contract on 11 January 2016. His contract of employment was extended for one additional year with effect from 11 January 2018. Mr D. Kowlessur is a Mechanical Engineer with more than 20 years of working experience in private and public sector. Mr D. Kowlessur left CIDB upon termination of his contract on 10 January 2019.

Other Staff

Position	Number of Staff
Technical Executive	2
Accounting Technician	1
Technical Coordinator	2
IT Support Officer	1
Management Support Officer	6
Word Processing Operator/Receptionist	2
Handy Worker/Driver	2

Donation

No donation has been made or received over the period covered by this Report.

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.”

There has been no report of any conflict of interest from the ED or any employee over the period covered by this Report, as strict compliance with the provisions of Section (14) of the CIDB Act was maintained throughout. During every Council Meeting, Members are invited to report any conflict of interest. At several Meetings, members have reported conflict of interest with regards to application for registration brought before the Council. This is common as many of the members are from the private sector.

Risk Management

The following strategic risks have been identified:

Physical Risks

- Flooding & Fire Risks.

The CIDB has an insurance cover against fire & allied perils including flooding. The landlord of the building, i.e. the Mauritius Civil Service Mutual Aid Association Ltd, also caters for the physical risk management with regard to the building. Fire and flood drills are also regularly organised in this connection.

Operational Risks

- Risk of corruption in dealings with Consultants and Contractors.
- Risk of processing applications on the basis of false or erroneous information, outside the knowledge of CIDB, as supplied by applicants.

Officers of CIDB abide by the Customer Charter of the organisation and have also taken the ICAC Pledge for the “Declaration Against Corruption”. Hence, Management takes all necessary measures to avoid the operational risks.

Human Resources Risks

- Risk of staff turnover.
- Allegation of malpractice and favouritism in recruitment exercises.
- Risk of corrupt practices by officers.
- High risk of confidential information being voluntarily or involuntarily leaked out.

Officers are given relevant training, to consolidate their knowledge and skills and also to increase their efficiency and effectiveness.

Information & Communication Technology Risks

- In the absence of a server and a Database Management System, the risk of data loss due to breakdown in the existing IT system is high.

Provision has been made for the implementation of a proper IT system for the CIDB, including the acquisition of a server.

Code of Ethics

Given that CIDB operates under the aegis of the Ministry of Public Infrastructure and Land Transport, it adheres to the Code of Ethics for Public Officers.

Gender Policy Statement

Gender equality is nowadays a sine qua non for development, be it at national or organisational level. It implies giving the same importance, rights, opportunities and values etc. to women and men. The CIDB cannot remain insensitive to gender equality and is now working towards a gender policy. Even if there is no formal gender policy so far, there are already policies and procedures in place to value all staff alike irrespective of their gender. The gender policy is being worked out and would soon be considered for approval by the Council of CIDB. It is worth noting that the Chairperson of CIDB is a woman and the only one on the Council. This is clear indication of the importance and value to woman in our organisation. CIDB confirms its commitment to the principles of gender equality. CIDB promotes equal opportunities and in this respect endeavours to treat all its staff and stakeholders equally irrespective of their gender.

Health and Safety

CIDB complies with all the relevant provisions of the Occupational Safety and Health Act and other related regulations and legislation. Management sees to it that all necessary measures are taken towards ensuring the safety and health of its employees.

External Audit

The External Auditors for the auditing of the Annual Report, for the 12-month period ended 30 June 2019, is the National Audit Office. The latter 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 ensure that the Financial Statements are prepared in accordance with the relevant accounting policies and standards. The Council is also responsible for ensuring that there is an adequate Internal Control System so that control objectives are met.

The Council acknowledges its responsibility for internal control and in this respect ensures that:

- a) Management has relevant experience and skills for the proper running of the organization;
- b) Proper segregation of duties is in place;
- c) The Executive Director undertakes adequate supervision on the duties of all staff;
- d) Cheques are signed by two signatories, viz., the Chairperson and the Executive Director;
- e) The Executive Director has a limit for expenditure approval and has to submit Quarterly Returns of such expenditure to Council.
- f) Funds needed from Grant are released on a monthly basis by the parent Ministry upon full justifications for 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 supporting management's decision-making, improving the reliability of business performance, and assisting 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 Standards for Small Entities (FRSSE) issued by the Financial Reporting Council and in compliance with the Statutory Bodies (Accounts and Audit) Act. The Board complies with the requirements of the Financial Management Manual. The controls maintained at the Board ensure that the provisions of the Construction Industry Development Board Act and other financial procedures are adhered to.

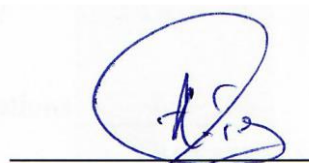
The Council also acknowledges responsibility for the proper safeguarding of the assets of the organization and maintaining of adequate accounting records. The Council further commits itself to the prevention and detection of fraud and any irregularities.

The Council reports that the principles of good corporate governance have been adopted to the extent possible.

Approved by the Council on 14 July 2020 and signed on its behalf by:



N. Daby Seesaram (Mrs)
Chairperson



A. Teeluckdharry
Member

Main Activities for 2018-2019

The main activities undertaken during the period 01 July 2018 to 30 June 2019 are highlighted below.

1. Registration of Consultants and Contractors

One of the main activities of CIDB is the registration of Consultants and Contractors. The number of Consultants and Contractors keeps on increasing, thus requiring more resources towards this end. Registration furthermore, the renewal of which takes place from April to June annually, has been done efficiently and all Consultants and Contractors who had applied for renewal of their registration were issued with a new certificate of registration on time.

The Table below indicates the number of Consultants and Contractors registered during the fiscal year 2018/19:

Contractors	Registered with CIDB
Local Contractor	1,414
Foreign Contractor (Provisional)	101
Foreign Contractor (Temporary)	37
Joint Venture Contractor (Provisional)	82
Joint Venture Contractor (Temporary)	9
Total	1,643
Consultants	
Local Consultant	185
Foreign Consultant (Provisional)	44
Foreign Consultant (Temporary)	15
Joint Venture Consultant (Provisional)	21
Joint Venture Consultant (Temporary)	6
Total	271

2. New Regulations under the CIDB Act

In its effort to consolidate the legal framework of the construction sector, the following Regulations were made under the Construction Industry Development Board Act in October 2018:

- (i) CIDB (Amendment of Schedule) Regulations 2018;
- (ii) CIDB (Appeal Fee) Regulations 2018;
- (iii) CIDB (Registration of Consultants and Contractors) (Amendment) Regulations 2018;
- (iv) CIDB (Registration of Service Providers other than Consultants) Regulations 2018; and
- (v) CIDB (Registration of Suppliers) Regulations 2018.

The five sets of Regulations have been made to reinforce existing Regulations and to ensure that registration of other stakeholders of the construction industry are being taken care of under the CIDB Act. The Regulations had also become imperative as a result of the rapid development in the construction industry. With these Regulations, CIDB has now been mandated to register consultants in new fields such as Environmental Engineering, Interior Design, Landscape Architecture and Urban Planning.

The Regulations have also empowered CIDB to register other service providers such as CAD Operators/Draughtsmen, Technician in Construction and Third Party Certifiers operating in the construction sector.

In its endeavour to promote a holistic approach to construction, CIDB believes that it is important to bring all the main players under one umbrella. In this respect, regulations have been made for the registration of suppliers of construction materials, and of plant and equipment.

In the first instance, not all suppliers would be registered as registration would be restricted to suppliers of a list of nine basic materials required in construction. With regard to suppliers of Constructional Plant and Equipment only those supplying earth moving equipment, materials handling equipment and scaffolding would have to be registered under the CIDB Act. Subsequently, the list would be extended.

3. MOU between CIDB and MCCI

In their common endeavour to promote the development of a close working relationship between themselves and to better serve the interest of the local construction industry, the CIDB and the Mauritius Chamber of Commerce and Industry (MCCI) signed a Memorandum of Understanding (MOU) on 26 April 2019.

The MOU, extends to all areas of mutual interest consistent with the common objectives of the CIDB and MCCI and includes the following avenues of cooperation:

- (a) Exchange of information on matters affecting the construction industry in general, and in particular relating to construction claims and dispute resolution;
- (b) Promote the use of alternative dispute resolution methods by recommending stakeholders in the construction industry to incorporate suitable dispute resolution clauses in contractual documents commonly used in Mauritius for procurement of works and associated services;
- (c) Invitations to be extended by one party to the other when organizing or hosting events of relevance to the construction industry and to dispute resolution in particular;
- (d) Organizing events on themes of interest to both the CIDB and the MCCI;
- (e) Setting up of training courses relating to the resolution of conflicts, claims and disputes for the benefit of construction industry professionals, consultants, contractors and other interested parties;
- (f) Developing in-house expertise within CIDB whenever required to manage conflicts, claims and disputes generally;
- (g) The MCCI to assist the CIDB in the enlistment and registration of qualified professionals for the provision of management services relating to conflicts, claims and disputes involving the construction industry;

- (h) Affording mutual assistance and support in making representations to stakeholders, including government bodies, on relevant changes and improvement required to the local construction industry with respect to dispute resolution.

The MOU is valid for a period of two years and would be renewable for further periods of two years.

4. Rebranding of CIDB

A corporate rebranding of the CIDB had been undertaken in the fiscal year 2017/18. One Essence, a rebranding consultant was appointed for this assignment. The consultant had roped in the services of DCDM Research, White and White, and Strategic Networking Partners and Consulting in this task.

The Consultant submitted a Report with a series of recommendations and more importantly, a new Corporate Identity which was required due to the prominent role that CIDB is being called upon to play in the construction sector which is fast evolving.

The new corporate identity was launched by the Hon. Nandcoomar Bodha, Minister of Public Infrastructure and Land Transport & Minister of Foreign Affairs, Regional Integration and International Trade on 16 May 2019 at Le Sirius, Labourdonnais Waterfront Hotel. This event was attended by a large number of invitees comprising public sector officials and the main stakeholders of the construction industry.

The new corporate identity has brought a new image of CIDB, providing more visibility and importance in the eye of the stakeholders and the general public.

A new website was also launched on that occasion which is more user-friendly and dynamic. The new website is visually more appealing and provides more up-to-date information. This new website is not hosted on the government portal, but on a private domain name.

5. Workshops & Trainings

One of the functions of CIDB is to develop and promote training programmes for operators of the construction industry. In this respect, CIDB regularly organises workshops/seminars and conferences for its stakeholders, mainly for the consultants and contractors.

During the financial year ended 30 June 2019, the following events were held:

(i) Training Courses on Building Information Modelling

Six full-day training sessions on “Building Information Modelling (BIM)” were held from 03 to 08 September 2018. These courses were organized in collaboration with the British Standards Institute (BSI) Group. The courses were held at Voilà Hotel, Bagatelle, in several modules as indicated in the Table below:

Module	Title of Module	Date
1	Building Information Modelling (BIM) Implementation	07 September 2019 (Batch 1) 08 September 2019 (Batch 2)
2	Building Information Modelling (BIM) Fundamentals	03 & 04 September 2019 (Batch 1) 05 & 06 September 2019 (Batch 2)

(ii) Information Session on Arbitration and Mediation

A two-hour information session on “Efficient use of Arbitration and Mediation Procedures for resolving Disputes related to Construction and Ancillary Contracts” was held on 12 October 2018. This workshop was organized in collaboration with the MCCI Arbitration and Mediation Center (MARC) and was held at the MCCI Office. It was the fourth in a series of workshops that had been initiated during the previous financial year.

(iii) Training Courses on Fire Safety

Four full-day training courses on “Fire Safety” were held from 04 February to 08 February 2019. These courses were MQA approved and were organized in collaboration with the Chartered Institution of Building Services Engineers (CIBSE) (UK). The courses were held at Voilà Hotel, Bagatelle, and comprised several modules as indicated in the Table below::

Module	Title of Module	Date
1	Emergency Lighting to Comply with Fire Safety Requirements BAFE SP203 P4	4 February 2019
2	Fire Detection & Alarm Systems for Buildings BS5839 Part 1	6 February 2019
3	Fire Risk Assessment : PAS 79	7 February 2019
4	Fire Sprinkler Systems : Design to BS EN 12845	8 February 2019

(iv) Training Courses on FIDIC

Four full-day training sessions on ‘FIDIC Conditions of Contract’ were held from 26 to 29 March 2019. These courses were MQA approved and were held in collaboration with the Association of Consulting Engineers Mauritius, which is a member of FIDIC (Fédération Internationale des Ingénieurs-Conseils). The courses were held at Voilà Hotel, Bagatelle, and comprised two modules as indicated in the Table below:

Module	Title of Module	Date
1	The Practical Use of the 1999 FIDIC Conditions of Contract for Construction – Module 1	26 & 27 March 2019
4	Contract Management and Administration of the 1999 FIDIC Conditions of Contract (‘Construction’ and ‘Plant and Design-Build’) – Module 4	28 & 29 March 2019

(v) **Workshop on CIDB Registration and Health & Safety Issues**

A half-day Workshop on “CIDB Registration and Health and Safety Issues” was held on 27 June 2019. The Workshop was organized in collaboration with the Ministry of Labour, Industrial Relations, Employment and Training (MLIRET) and was held at the Flying Dodo, Bagatelle.

6. Publication of Register of Consultants and Contractors

One of the functions of the CIDB is to publish an annual list of registered Consultants and Contractors.

The list of Consultants and Contractors is a useful tool for all public bodies, promoters in the private sector and also the public at large, as it helps them identify suitable Consultants and Contractors for their respective projects.

In September 2019, the annual list of Registered Consultants and Contractors was published in the Government Gazette.

7. Recruitment of Staff

During the period 01 July 2018 to 30 June 2019 the following staff were recruited to consolidate the human resources at CIDB:

Grade	Number
Technical Executive	1
Technical Coordinator	1
Management Support Officer	1

Financial Statements

Financial Year Ended 30 June 2019



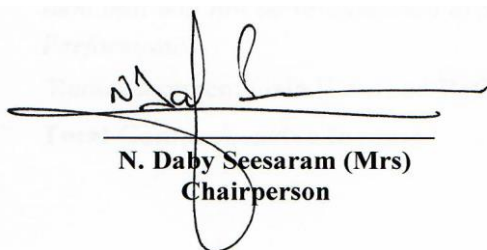
Construction Industry
Development Board

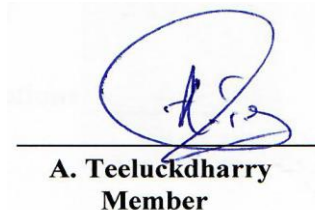
Statement of Financial Position as at 30 June 2019

	Notes	Year ended 30 June 2019 Rs	Year ended 30 June 2018 Rs
ASSETS			
<u>Non-Current Assets</u>			
Property, Plant and Equipment	3	946,866	1,215,169
Retirement Pension Assets	2.12.4	671,395	-
		1,618,261	1,215,169
<u>Current Assets</u>			
Inventories	4	196,256	212,238
Prepayments & Receivables	5	278,717	267,382
Cash and Cash Equivalents	6	4,655,878	15,807,560
Short Term Investment	7	10,000,000	-
		15,130,851	16,287,180
TOTAL ASSETS		16,749,112	17,502,349
FINANCED BY			
<u>General Fund</u>	8	5,843,002	2,873,586
<u>Non-Current Liabilities</u>			
Long Term Employee Benefits Obligations	9	2,060,017	1,660,179
Retirement Pension Obligation	2.12.4	-	175,764
		2,060,017	1,835,943
<u>Current Liabilities</u>			
Accruals & Payables	10	8,663,450	12,532,265
Short Term Employee Benefits Obligations	11	182,643	260,555
		8,846,093	12,792,820
Total Liabilities		10,906,110	14,628,763
		16,749,112	17,502,349

The Notes to the Accounts on pages 22 to 31 form part of the Financial Statements.

Approved by the Board on 14 July 2020 and signed on its behalf by:


N. Daby Seesaram (Mrs)
Chairperson


A. Teeluckdharry
Member

Statement of Financial Performance for the year ended 30 June 2019

	Notes	Year ended 30 June 2019 Rs	Year ended 30 June 2018 Rs
REVENUE			
Processing Fee (<i>Local</i>)	2.4.2	407,000	453,500
Registration Fee	2.4.2	13,067,331	13,715,128
Processing Fee (<i>Foreign</i>)	2.4.2	317,500	299,500
Fee for Temporary Registration	2.4.2	4,821,052	5,181,928
Surcharges		126,765	87,032
Workshop Participation Fee		2,317,500	-
Sale of National Schedule of Rates		6,000	5,500
Interest on Short Term Investment		12,002	-
		21,075,150	19,742,588
EXPENSES			
Depreciation	3	361,725	364,718
Employee Salaries and Benefits	12	10,549,150	9,828,743
Other Expenses	13	7,860,270	5,239,873
Finance Costs	14	8,698	9,404
		18,779,843	15,442,738
Profit for the Period		2,295,307	4,299,850
Statement of Comprehensive Income			
Profit for the Period		2,295,307	4,299,850
<i>Item that will not be re-classified to Statement of Financial Performance</i>			
Remeasurement Gain (Loss) on Retirement Benefit Obligations		674,109	32,604
Total Comprehensive Income		2,969,416	4,332,454

Statement of Cash Flow for the year ended 30 June 2019

	Year ended 30 June 2019 Rs	Year ended 30 June 2018 Rs
Cash Flows from Operating Activities		
Operating Surplus for the period	2,295,307	4,299,850
Adjustments for Non-cash Movements		
Depreciation of Property, Plant and Equipment	361,725	364,718
Remeasurement Gain (Loss)	674,109	32,604
Operating Surplus before Working Capital changes	3,331,141	4,697,172
Decrease (Increase) in Retirement Pension Assets	(671,395)	-
Decrease (Increase) in Inventories	15,982	(86,553)
Decrease (Increase) in Prepayments and Receivables	(11,335)	(35,579)
Increase (Decrease) in Accruals & Payables	(3,868,815)	4,650,596
Increase (Decrease) in Employee Benefits Payable	321,926	309,638
Increase (Decrease) in Retirement Pension Obligation	(175,764)	(190,380)
Net Cash Flow from Operating Activities	(1,058,260)	9,344,895
Cash Flows from Investing Activities		
Acquisition of Fixed Assets	(93,422)	(326,242)
Purchase of Government of Mauritius Treasury Certificates	(10,000,000)	-
Net Cash Flow from Investing Activities	(10,093,422)	(326,242)
Net Increase (Decrease) in Cash and Cash Equivalents	(11,151,682)	9,018,652
Cash and Cash Equivalents at beginning of the Period	15,807,560	6,788,908
Cash and Cash Equivalents at end of Period	4,655,878	15,807,560

**Statement of Changes to General Fund for the year ended
30 June 2019**

	Year ended 30 June 2019	Year ended 30 June 2018
	Rs	Rs
Opening Balance	2,873,586	(1,458,868)
Surplus for the period	2,295,307	4,299,850
	5,168,893	2,840,982
Remeasurement Gain (Loss) on Retirement Benefit Obligations	674,109	32,604
	5,843,002	2,873,586

Notes to the Financial Statements for the Period ended 30 June 2019

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 ten members. The Council fairly represents a 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 Standards for Small Entities (FRSSE) 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 Financial Statements for the current period have been prepared for the 12 months ended 30 June 2019 with comparative information for the 12 months ended 30 June 2018.

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.

Notes to the Financial Statements for the Period ended 30 June 2019

2.4 Revenue Recognition

Revenue comprises Government Grants, Processing Fees and Registration Fees and other income such as Sale of National Schedule of Rates and Workshop Participation Fee.

2.4.1 Government Grants

Government grants are recognised on cash basis as income and are matched against the operational expenses of the Board. Government grants are presented as recurrent grant and capital grant, and are recognised in the Statement of Financial Performance in the year to which they relate. Capital grant represents money which has been utilised to purchase fixed assets and such grant does not impose any specified future further performance conditions. Grants are released on a monthly basis as per requirements of the Board to meet its monthly expenses.

2.4.2 Processing & Registration Fees

One of the functions of the Board is to regulate and register providers of construction works and construction services. In this context the CIDB undertakes the registration of contractors and consultants in the Construction Industry. Non refundable Processing Fees and Registration Fees are being charged for each application as per the Schedule of Fees in the CIDB (Registration of Contractors and Consultants) Regulation 2014. Those fees are recognised on an accrual basis and any fee received in advance that is fees relating to registration for subsequent financial period is treated under payables in the Statement of Financial Position.

For the current financial period Processing Fee (Local) and Processing Fee (Foreign) collected amounted to Rs. 407,000 and Rs. 317,500 respectively. Registration Fee and Fee for Temporary Registration relating to the current financial year amounted to Rs. 13,107,331 and Rs. 4,821,052 respectively.

2.4.3 Surcharges

Certificates of Registration are issued to Contractors and Consultants upon payment of a registration / renewal fee. Surcharges are applicable on the registration / renewal fee under two circumstances:

- (i) Where an applicant on being notified to collect his Certificate of Registration fails to do so within 30 days from the date of notification. Surcharge of 10% is applicable.
- (ii) Where a contractor or consultant applies for the renewal of his Certificate of Registration after the expiry of the period of validity of the Certificate, but within 30 days thereof. In this case, a surcharge of 25 per cent of the renewal fee is applicable.

At the end of the financial year, there were no outstanding surcharges.

2.4.4 Workshops Participation Fee

In line with its function to develop and promote training programmes for operators of the construction industry, CIDB often organises workshops and seminars for the industry stakeholders. In this respect it charges a nominal participation fee to meet part of the costs incurred in the organisation of such events.

2.4.5 Sale of National Schedule of Rates

Sale of National Schedule of Rates are recognised when the goods have been delivered and accepted by the clients.

Notes to the Financial Statements for the Period ended 30 June 2019

2.5 Provisions

A Provision is recognised when there is a present legal or constructive obligation 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 the Statement of Financial Performance.

2.7 Inventories

Inventories represents the stock of unused stationeries at the end of the financial year. It is valued at the lower of cost and net realisable value. Once the stationeries are used up, it is expensed.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise Cash in Hand and Cash at Bank. Cash in hand includes cash balances for Petty Cash fund and Cashier's Float which are managed by the Finance Section. Cash at Bank comprises of bank balances in Current Account and Savings Account at the SBM Bank (Mauritius) Ltd.

2.9 Short Term Investment

Short Term Investment include investment in Government of Mauritius Treasury Certificates (GMTCs) issued by the Government through the Bank of Mauritius. During the Financial Year, CIDB had two bids of Rs. 5 million each accepted by the Bank of Mauritius. One is for a maturity period of 364 days and the other one is for a maturity period of 182 days.

2.10 Accounts Payables and Prepayments

Receivables and Prepayments are stated at their nominal value.

2.11 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 Valuations Report.

2.12 Employees Entitlements

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

2.12.1 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 Account as at 31 December 2018. 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.

Notes to the Financial Statements for the Period ended 30 June 2019

2.12.2 *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 and long term liabilities. The annual increase in passage benefits is expensed to the Statement of Financial Performance.

2.12.3 *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.

2.12.4 *Retirement Benefits Obligation*

Provision for the retirement benefits for employees are made under the Statutory Bodies Pension Act of 1978 as amended.

Defined Benefit Pension Plan

For employees who were in service at 31 December 2012 the pension scheme is 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.

The Statement of Actuarial Valuations of Plan Assets and the present value of the defined benefit obligations as at 30 June 2019 was as follows:-

	Year ended 30 June 2019	Year ended 30 June 2018
	Rs	Rs
Amounts recognised in Statement of Financial Position		
Present value of funded obligation	4,163,237	4,316,404
(Fair value of Plan Assets)	(4,834,632)	(4,140,640)
	(671,395)	175,764
Amounts recognised in Statement of Financial Performance		
Service Cost:		
Current service cost	298,881	332,696
(Employee Contributions)	(174,533)	(169,747)
Fund expenses	55,322	10,185
Net Interest expense/ (income)	(3,653)	8,584
P&L Charge	176,017	181,718
Remeasurement		
Liability (gain)/loss	(741,821)	58,231
Assets (gain)/loss	67,712	(90,835)
Total Other Comprehensive Income (OCI) recognised	(674,109)	(32,604)
Total	(498,092)	149,114

Notes to the Financial Statements for the Period ended 30 June 2019

Movements in liability recognised in Statement of Financial Position:

At start of year	175,764	366,144
Amount recognised in P&L	176,017	181,718
(Contributions paid by employer)	(349,067)	(339,494)
Amount recognised in OCI	(674,109)	(32,604)
At end of year	(671,395)	175,764

Actual return on plan assets: **233,388**

The Plan is a defined arrangement for the employees and it is funded. The assets of the funded plan are held independently and administered by the State Insurance Company of Mauritius Ltd.

	Year ended 30 June 2019	Year ended 30 June 2018
	Rs	Rs
Reconciliation of the present value of defined benefit obligation		
Present value of obligation at start of period	4,316,404	3,679,917
Current service cost	298,881	332,696
Interest cost	302,148	257,594
Benefits paid	(12,375)	(12,034)
Liability (gain)/loss	(741,821)	58,231
Present value of obligation at end of period	4,163,237	4,316,404

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 30 June 2019	Year ended 30 June 2018
	Rs	Rs
Reconciliation of fair value of plan assets		
Fair value of plan assets at start of period	4,140,640	3,313,773
Expected return on plan assets	305,801	249,010
Employer contributions	349,067	339,494
Employee contributions	174,533	169,747
Benefits paid+ other outgo	(67,697)	(22,219)
Asset gain/(loss)	(67,712)	90,835
Fair value of plan assets at end of period	4,834,632	4,140,640

Distribution of plan assets at end of period

	June 2019	June 2018
Percentage of assets at end of year		
Government securities and cash	58.7%	59.5%
Loans	3.4%	3.7%
Local equities	13.1%	14.6%
Overseas bonds and equities	24.2%	21.6%
Property	0.6%	0.6%
Total	100.0%	100.0%

Notes to the Financial Statements for the Period ended 30 June 2019

Additional disclosure on assets issued or used by the reporting entity

	June 2019	June 2018
	(%)	(%)
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 OCI

Year	June 2019	June 2018
Currency	Rs	Rs
Asset experience gain/(loss) during the period	(67,712)	90,835
Liability experience gain/(loss) during the period	741,821	(58,231)
Surplus/(deficit)	674,109	32,604

Expected Employer Contributions in 2019/2020 is Rs. 357,455

Weighted average duration of the defined benefit obligation is 20 years
(Calculated as a % change in PV of liabilities for a 1 % change in discount rate)

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

The cost of providing the benefits is determined using the Projected Unit Method.

	Year ended 30 June 2019	Year ended 30 June 2018
Discount Rate	7.00%	7.00%
Future salary increases	4.00%	4.50%
Future pension increases	3.00%	3.50%
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

State Plan and Defined Contribution Pension Plan

For employees appointed for the first time in service as from 1 January 2013 onwards, Government has set up a Public Sector Defined Contribution Plan, managed by State Insurance Company of Mauritius Ltd.

All employees recruited after 31 December 2012 shall join the Public Sector Defined Contribution Plan and the monthly contribution shall be 6% by the employee and 12 % by the CIDB.

Contributions to the Public Sector Defined Contribution Plan, the National Pension Scheme, the Family Protection Scheme, the National Savings Fund and Training Levy are expensed in the period in which they fall due.

Notes to the Financial Statements for the Period ended 30 June 2019

2.13 Foreign Currency Translation

Temporary Registration Fee is calculated as a percentage of the contract value. If the contract value is in foreign currency, it is converted into MUR using the SBM Bank's spot rate at the date of the award of contract.

The Foreign Contractors or Consultants are then charged in MUR but they usually effect payment through Bank Transfer in foreign currencies which are then converted by the SBM Bank at its end on the date of transfer and then credited to our bank account in MUR. On conversion differences often occur, which are then recouped or refunded accordingly. At the end of the financial year there was no amount to be either recovered or recouped.

2.14 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 July 2018	1,602,182	1,669,916	1,032,900	4,304,998
Additions during the year	57,300	36,122	-	93,422
Cost - 30 June 2019	1,659,482	1,706,038	1,032,900	4,398,420
Aggregate depreciation - 1 July 2018	1,167,000	1,020,763	902,066	3,089,829
Depreciation for the year	88,402	240,614	32,709	361,725
Aggregate depreciation - 30 June 2019	1,255,402	1,261,377	934,775	3,451,554
Net Book Value - 01 July 2018	435,182	649,153	130,834	1,215,169
Net Book Value - 30 June 2019	404,080	444,661	98,125	946,866

	Year ended 30 June 2019 Rs	Year ended 30 June 2018 Rs
4. Inventories		
Unused Stationeries	196,256	212,238
5. Prepayments & Receivables		
Travelling & Mileage	15,309	15,309
Telephone & Internet	1,202	1,195
Rent	234,928	234,928
Motor Vehicle Running Expenses	8,555	8,555
Office Expenses, General Stores and Stationeries	3,397	3,233
Insurance	2,124	2,090
YEP Allowance Refund	-	2,072
Interest on Short Term Investment	12,002	-
Workshop Fees	1,200	-
	278,717	267,382

Notes to the Financial Statements for the Period ended 30 June 2019

	Year ended 30 June 2019 Rs	Year ended 30 June 2018 Rs
6. Cash and Cash Equivalents		
Cash in hand	271	1,570
Cashier's float	2,000	2,000
Cash at Bank - Current A/c	23,462	111,048
Cash at Bank - Savings	4,630,145	15,692,942
	4,655,878	15,807,560
7. Short Term Investment		
364-Day Government of Mauritius Treasury Certificates	5,000,000	-
182-Day Government of Mauritius Treasury Certificates	5,000,000	-
	10,000,000	-
8. CIDB Fund		
Opening Balance	2,873,586	(1,458,868)
Surplus for the year	2,969,416	4,332,454
Closing Balance	5,843,002	2,873,586
9. Long Term Employee Benefits Obligations		
<i>Sick Leave Bank Account</i>		
Opening Balance	1,107,201	985,387
Increase in provision	156,754	121,814
Closing Balance	1,263,955	1,107,201
<i>Passage Benefits Obligation</i>		
Amount payable in more than one year (Note 10)	796,062	552,978
10. Accruals & Payables		
Travelling & Mileage	-	19,772
Allowance & Overtime	2,609	839
End of Year Bonus	271,701	322,492
Defined Contribution Pension Fund	-	-
Gratuity	156,682	241,668
Annual Leave	89,888	84,199
Professional Fees	325,000	180,000
Electricity	34,532	44,127
Telephone	2,831	2,846
Rebranding	92,000	-
Motor Vehicle Running Expenses	2,082	4,921
Cleaning Expenses	3,105	2,898
Registration Fee	3,996,750	7,680,907
Temporary Registration Fee	3,686,270	3,947,596
	8,663,450	12,532,265

Notes to the Financial Statements for the Period ended 30 June 2019

	Year ended 30 June 2019 Rs	Year ended 30 June 2018 Rs
11. Short Term Employee Benefits Obligations		
<i>Passage Benefits Obligation</i>		
Opening Balance	752,978	566,554
Adjustment *	(5,573)	-
Entitlement for the period	233,577	239,802
	980,982	806,356
Disbursement during the period	(84,920)	(53,378)
	896,062	752,978
Amount payable in less than one year	100,000	200,000
<i>Sick Leave Payment</i>		
Refund of Sick Leave not taken beyond the ceiling of 110 days	82,643	60,555
* Provision written off for an officer who was not entitled to Passage Benefits		
12. Employee Salaries and Benefits		
Salaries	7,335,403	6,702,105
Compensation 2017	23,288	20,498
Compensation 2018	79,682	41,889
Compensation 2019	43,852	-
Travelling & Mileage Allowance	1,028,095	1,056,507
Allowances & Overtime	38,976	10,311
End of Year Bonus	544,948	559,652
Sick Leave Payment	143,197	120,073
Sick Leave Bank Balance	156,754	121,814
Passage Benefits	228,004	239,802
Uniforms Allowance	10,380	8,430
Defined Benefit Pension Fund	176,017	181,718
Defined Contribution Pension Fund	134,517	68,005
Family Protection Scheme	80,597	68,518
NSF Contribution	96,380	83,063
NPF & Levy Contribution	60,716	65,600
Staff Training	21,000	118,500
Gratuity	299,374	301,143
Annual Leave	47,970	61,115
	10,549,150	9,828,743
13. Other Expenses		
Council and Sub-Committee Fees	877,530	694,203
Professional Fees	199,450	113,750
Rent	2,819,135	2,608,188
Electricity	357,661	354,934
Telephone	108,486	105,826
Motor Vehicle Running Expenses	87,443	55,855
Office Expenses, General Stores and Stationeries	574,245	457,964
Workshop, Conference & Mission	1,754,920	579,375
Press Notices, Printing and Publications	239,245	169,074
Repairs and Maintenance	40,988	57,443
Rebranding	756,866	-
Cleaning Expenses	36,953	35,874
Insurance	7,348	7,387
	7,860,270	5,239,873

Notes to the Financial Statements for the Period ended 30 June 2019

	Year ended 30 June 2019	Year ended 30 June 2018
	Rs	Rs
14. Finance Costs		
Bank Charges	8,698	9,404
	8,698	9,404

15. Subsequent Event Review

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

16. Related Party Transactions

The only related party of CIDB was the Ministry of Public Infrastructure and Land Transport. For the current financial year government grant amounting to Rs. 13,000,000 was voted in the Budget 2018-2019 in favour of CIDB. No application for government grant was made during the financial year as the Board had sufficient fund from revenue generated from registration of contractors and consultants to meet its monthly expenditure.

17. Top Management

The Top Management of the CIDB comprises the Executive Director, the Manager, Corporate Services and two Managers, Technical Services. The total remuneration including travelling and all other benefits of Top Management was Rs 4,988,836 for the financial year ended 30 June 2019.

18. Car Loans

Some employees are eligible to car loans as part of their conditions of service. The car loans are disbursed to the CIDB by the Ministry of Public Infrastructure and Land Transport upon applications by eligible employees. The loans are executed by way of a registered agreement between the CIDB and the eligible employees. The car loans which bear an interest of 4% per annum are repayable monthly over a period of five to seven years.

	Capital	Interest
	Rs	Rs.
Opening Balance - 01 July 2018	857,143	121,428
New Car Loan	1,000,000	101,666
Remittance to Ministry of Public Infrastructure and Land Transport	(990,476)	(66,532)
Interest written off due to early repayment of Car Loan	-	(68,452)
Closing Balance - 30 June 2019	866,667	88,110