



ANNUAL REPORT

2019 / 2020



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MESSAGE FROM THE CHAIRPERSON

I have the pleasure to present the Annual Report for the Financial Year 2019/20, in compliance with Section (33) of the CIDB Act.

As I have been appointed as chairperson CIDB in September 2020, this report reflects the outcome of the works performed by the Council under the chairmanship of Mrs N. Daby Seesaram. I seize this opportunity to thank her for the achievements during the financial year.

The Financial Year has been an exceptional one as the whole world and indeed our industry has been affected by the COVID-19 pandemic. Our industry had come to a standstill for almost three months. All the construction sites were closed giving a sense of uncertainty for the future. However, the construction industry showed its resilience and picked up quickly so as to become the engine for economic growth.

Government has in the last Budget indicated that the economy would be relying heavily on the construction industry to stimulate the economic development in this time of recession. The construction industry is now being called upon to play a more crucial role in the economy in view of the massive investment in public infrastructure and also the increasing investment in construction by the private sector.

During the Financial Year 2019/20, the activities of the CIDB has also been affected by the COVID-19 pandemic. Despite this situation, CIDB has embarked on two major projects, namely the E-Registration and the National Schedule of Rates.

The first project is the digitalisation of all the registration process, thus providing facilities for applicants to do online registration, online payment of fees and also receiving their Certificate of Registration online. This will completely transform the way registration has been undertaken so far and will considerably facilitate the tasks of both the CIDB and its stakeholders.

The project on National Schedule of Rates will provide a new benchmarking tool for construction rates thus ensuring value for money for investment in construction projects. The National Schedule of Rates will subsequently be updated periodically so that updated construction rates are available at all time.

The year ahead and the high importance being given to the construction sector is going to be very challenging. CIDB will have to reinvent itself in order to meet the expectations of the industry. It will have to restructure itself to provide quality services to the stakeholders of the industry, I am confident that CIDB will be able to meet them with great zeal and determination.

I seize this opportunity to thank the Honorable Minister of National Infrastructure & Community Development, the staff of the Ministry as well as my colleagues of the Council. I also wish to thank the management and staff of the CIDB for their unflinching cooperation and rely on them for their continuous support.

Tarkaswar COWALOOSUR
Chairperson

EXECUTIVE DIRECTOR'S MESSAGE

I am pleased to present the 2019/20 Annual Report of the Construction Industry Development Board, comprising its activities and accounts for the financial year ending 30 June 2020.

The legislative changes requiring registration of consultants in new fields, and registration of other service providers not previously registrable, resulted in an increase in the number of applications for registration over the financial year. The exercise was nonetheless conducted efficiently and timeously, with nearly 2000 registration certificates issued. The statistics, regarding the various entities registered with CIDB, are presented herein.

A major development over this period was the award of a consultancy contract for preparation of a National Schedule of Rates (NSOR). This development was much awaited, in view of previous unsuccessful attempts to update the 2012 First Edition of the NSOR. Unfortunately, the Consultant's final Report was delayed due to the covid-19 lockdown period, which meant that the NSOR could not be completed within the financial year ending 30 June 2020. On account of the covid-19 crisis, workshops and training sessions could also not be held as initially planned. Only one workshop was thus held, which was entitled "Enhancing Capabilities of SME Contractors".

The lockdown period due to the covid-19 pandemic highlighted the pressing need for digitalization of services and remote working. Council as well as Subcommittee meetings had to be held on the Zoom videoconferencing platform. The Analysis, Design, Installation and Commissioning of an Electronic Registration System for the CIDB started in June 2020. This E-Registration Project will enable online registration of Contractors and Consultants, as well as Suppliers and other Service Providers. Besides the issue of digital Registration Certificates and payment of fees online, the new system will provide for a database, allowing the extraction of reports which would be useful in strategic planning for the construction sector.

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 2019 to 30 June 2020)

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 (up to November 2019)

Divisional Environment Officer

Representative of the Ministry responsible for the subject of Environment

Mr. M. E. Gurreeboo (As from November 2019)

Environment Officer

Representative of the Ministry responsible for the subject of Environment

Mr G. Uckoor (up to November 2019)

President of Association of Small Contractors

Representative of SME Contractors

Mr V. Toofanny (As from November 2019)

Representative of the Association of Small Contractors

Representative of SME Contractors

Mr S. Pokun

Professional Architect

Representative of the Professional Architects' Council

Mr S. Daliah

Professional Engineer

Representative of the Council of Registered Professional Engineers

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 (up to November 2019)

Commercial Manager, System Building Contracting Ltd

Representative of Mechanical and Electrical Engineering Contractors Association

Mr A. Hurbungs (As from November 2019)

Contracts Manager, Manser Saxon 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 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 2019 to 30th June 2020, 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	APIC	Total Fees (Rs)
	20	10	21	1	8	
Mrs. N. Daby Seesaram	20/20				8/8	408,000
Mr. P. Mawah	8/20					6,052
Mr. S. Pokun	11/20	1/10				9,014
Mr. S. Daliah	15/20		19/21			30,647
Mr. R. Gutty	8/20		2/21		5/8	10,901
Mr. N. Pougnet	5/20					3,782
Mr. G. Moorghen	17/20		4/21		7/8	20,481
Mr. A. Teeluckdharry	19/20	10/10	11/21	1/1	8/8	38,709
Mr G. C. J. Uckoor	2/20	1/10	2/21			3,591
Mr. V. Toofanny	11/20		9/21			14,556
Mr. S. Ramsurrun	9/20	5/10			1/8	10,965
Mr. Y. Pathel	3/20					2,269
Mr. V. Sadeo	16/20		17/21			24,527
Mr. N. Hurbungs	8/20		4/21			8,823
Mr. M. E. Gurreeboo	11/20	5/10				11,785
Mr. V. Ramtohol	2/20					1,513
Mr. J. R. Fayolle	1/20					756
Mrs. C. Rouillard					5/8	3,464
Mr. S. Ramsoondur					1/8	693

CDC - Corporate Development Committee

TDC - Technical Development 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 Manager, Technical Services on 01 March 2018. He is a Registered Professional Civil Engineer with more than 15 years of experience in the private and public sectors. He holds a B.Eng (Hons) degree in Civil Engineering and MSC (with distinctions) in Project Management from the University of Mauritius. He also holds a LLB (Hons) degree from the University of London (UK). He is also a corporate member of the Institution of Engineers (Mauritius) (IEM) and a graduate member of the Institution of Civil Engineers (ICE) (UK).

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 2020, 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 15 June 2021 and signed on its behalf by:



T. Cowaloosur
Chairperson



G. Bundhooa
Member

MAIN ACTIVITIES FOR 2019-2020

The Financial Year 2019/20 has been an exceptional one due to the impact of the COVID-19 pandemic. The Construction Industry had come to a standstill during the lockdown period from March to July 2020. All construction projects were put on halt during that period and this situation has had severe impact on the industry.

As a result of this situation, events initially planned by CIDB for the last quarter of the financial year could not be undertaken.

In spite the above situation, the following main activities were undertaken during the period 01 July 2019 to 30 June 2020:

1. Registration of Providers of Construction Works and Construction Services

Since 2014, CIDB has been focusing exclusively on the registration of Consultants and Contractors. However, since 2019, registration has been extended to other stakeholders of the Construction Industry, namely Suppliers of Construction Materials, Plant and Equipment, Service Providers including CAD Operators, Technician in Construction and Third Party Certifier in Construction.

The Table below indicates the number registration granted during the Fiscal Year 2019/20:

Contractors	Number
Local Contractor	1,422
Foreign Contractor (Provisional)	149
Foreign Contractor (Temporary)	40
Joint Venture Contractor (Temporary)	9
Total	1,620
Consultants	
Local Consultant	186
Foreign Consultant (Provisional)	14
Foreign Consultant (Temporary)	20
Joint Venture Consultant (Provisional)	24
Joint Venture Consultant (Temporary)	6
Total	250
Others	
Suppliers of Construction Materials, Plant and Equipment	11
CAD Operators	87
Technician in Construction	3
Third Party Certifier in Construction	1

2. Amendment to the CIDB Act

The First Schedule to the CIDB Act was amended through the Finance (Miscellaneous Provisions) Act 2019. The Grading of Contractors was revised. A new Grade A+ was introduced and all the Grade Ceilings were also reviewed.

The new ceilings have been revised upwards to reflect the prevailing market value of works and to offer more opportunities to eligible contractors. The Grading determine the value of contract that a contractor is allowed to undertake.

The new Grade Ceilings are indicated in the Table below:

Grading	Value of Contract (exclusive VAT) (Rs)
A+	Up to any amount above 500 million
A	Up to 500 million
B	Up to 350 million
C	Up to 200 million
D	Up to 125 million
E	Up to 75 million
F	Up to 35 million
G	Up to 15 million
H	Up to 7.5 million

3. Workshop: “Enhancing Capabilities of SME Contractors”

Contractors are among the main operators in the Construction Industry. In fact, they are responsible for the execution and delivery of the infrastructure. There are different categories of Contractors depending on the capabilities and the nature of works they undertake. Some Contractors handle big projects such as multi-storey buildings, others undertake complex civil engineering works. Whilst others undertake medium to small projects such as construction of houses and residential complex. In Mauritius, more than 70% of the Contractors may be categorized as Small and Medium Enterprises (SMEs) entities.

In line with its objective to promote and encourage participation of SMEs in the Construction Industry, CIDB held a full-day Workshop on 24 October 2019, at Voilà Hotel Bagatelle, for SME Contractors mostly from Grade D, E, F, G and H. The aim was to identify problems encountered by those SME Contractors operating in the Construction Sector.

That Workshop was an opportunity for the SME Contractors to discuss on the challenges they face in the course of their daily business. The Workshop was conducted in such a way so as to give them the opportunity to express their views on different themes. Four main themes identified for that event were as follows:

(i) Finance and Access to Machinery and Equipment

The SME Contractors were encouraged to discuss on the problems they encountered in the procurement of Materials, Plant and Equipment. The financing plans and loans facilities were also discussed. It was noted that most of them were unaware of the financing opportunities available. Some of them even requested for a networking event with those Financial Institutions.

(ii) Quality, Environment and Health and Safety

The quality of works of SME Contractors are often put to question. Several complaints are received from promoters and other employers regarding failure of SME Contractors to deliver according to required standards. It was considered that SME Contractors should be sensitized more and more on the quality of works. Nevertheless, it is to be acknowledged that most of the SME Contractors deliver works of a reasonable and acceptable standard.

It is believed that SME Contractors are not conscious about environmental issues, but this was not the case. At the Workshop, it was concluded that nowadays, most of those Contractors are environmental conscious and also carry out their works in accordance with relevant environmental norms and practices. However, there was need to sensitize those who are not aware of the environmental norms and practices.

The issue of Health and Safety was also raised with those Contractors at that Workshop. It was observed that most of them are familiar with the requirements of the OSHA 2005 as they have attended several training courses delivered by the Ministry of Labour, Human Resource Development and Training.

(iii) Human Resource and Training

Human Resource Planning for the SME Contractors with regard to local and foreign labour and training needs to enhance the capabilities of the local labour in the Construction Industry were also discussed with the Contractors. The SME Contractors were of the view that an “École des Métiers”/“Chambre des Métiers” would be necessary to help develop the skills required for the local construction employees. It was noted that this proposal has been under consideration at different levels of government for quite a while. This would have to be considered seriously now.

(iv) Contracts and Standard Forms

Different Standard Forms of Contracts which exist were also debated and SME Contractors were solicited to express their views thereon. The contractors also discussed on contractual problems encountered on relevant topics such as mitigation, managing and resolving disputes involve in contractual disputes.

In conclusion, the role of CIDB as a regulator of the Construction Industry was ascertained among those present during the Workshop. The expectations that the SME Contractors had from CIDB were also discussed. Subsequently, a Report was prepared with all the findings and recommendations from that Workshop to help relevant authorities take necessary action to address those issues.

4. National Schedule of Rates

It is imperative to have a benchmark for construction rates in Mauritius. Without this, it is likely to have a wide disparity in the costs of construction. For this reason, CIDB is mandated to publish periodically indicative schedules of rates for construction works. A First edition of the National Schedule of Rates (NSoR) was published in the year 2012 and since then, it has been used as a benchmarking tool in the Construction Sector.

The National Schedule of Rates is an essential document for infrastructure works as it allows stakeholders to have an overall idea of the costs related to construction projects. Since price rates vary over time, the first edition of the NSoR was considered obsolete as the prices was not reflecting the actual market rates. It was therefore high time to revise the first edition of the National Schedule of Rates.

In this respect, a procurement exercise was carried out by CIDB for consultancy services for the preparation of a new National Schedule of Rates for Construction Works and Services in early 2019. The contract was subsequently awarded in August 2019, to Ragoo Associates Ltd. The latter was initially supposed to complete this assignment in February 2020 but due to some constraints, the deadline was postponed to the end of March 2020. However, due to the COVID-19 period the exercise could not be completed as scheduled. The Consultant has subsequently been requested to review the rates initially compiled as a result of the changes in prices of materials and labour due to the impact of COVID-19. It is now expected that the Second Edition of the NSoR would be issued by the end of 2020.

5. E-Registration

One of the functions of CIDB is to regulate and register providers of construction works and construction services including consultants and contractors.

CIDB started the Registration of Consultants and Contractors in August 2014 but due to the fact that most of the consultants and contractors were not yet registered within the set deadline, same was extended to July 2016.

The Registration of Consultants and Contractors is so far being done in a traditional way, that is an applicant has to fill in a registration form and submit it along with a set of required documents. The processing is done manually and at the end, a Certificate of Registration is issued to the applicant.

As the registration exercise has been extended to other providers of construction works and services, comprising Suppliers of Materials, CAD Operators, Technician in Construction and Third Party Certifier, it is becoming a very complex and tedious exercise, hence, CIDB has had no other option than to consider transforming the whole registration system into a digital one.

In this respect, CIDB invited request for proposals from consultants for the Analysis, Design, Installation and Commissioning of an Electronic Registration System for the CIDB in October 2019. Following an evaluation exercise, the proposals from State Informatics Limited (SIL) was retained and they were awarded the contract.

Due to the COVID-19 pandemic, SIL could not start works in March 2020 as expected. Finally, the Consultant stated to work on the Project as from beginning of June 2020. The Project is expected to be completed by December 2020.

The new system will be web-based. Applicants will have to submit their applications online along with all the required documents. The system will also provide facility for online payment and the Certificate will also be issued by electronic means.

This new Registration System will significantly facilitate the tasks of both the Applicants and CIDB.

6. Recruitment of Staff

During the period 01 July 2019 to 30 June 2020 the following staff were recruited to consolidate the Human Resource Team at CIDB:

Grade	Number
Administrative Assistant	1
IT Support Officer	1
Technical Coordinator	1
Management Support Officer	1



REPORT OF THE DIRECTOR OF AUDIT

**On the Financial Statements
of the Construction Industry Development Board
for the year ended 30 June 2020**

NATIONAL AUDIT OFFICE



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 2020 and the statement of financial performance, statement of changes in equity 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 2020, 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.

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.

As far as it could be ascertained from my examination of the relevant records:

- (a) The Construction Industry Development Board has complied with the Statutory Bodies (Accounts and Audit) Act; and
- (b) no direction relating to the accounts has been issued by the responsible Minister to the Construction Industry Development Board.

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

- (a) expenditure incurred was of an extravagant or wasteful nature, judged by normal commercial practice and prudence; and
- (b) the Council 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.



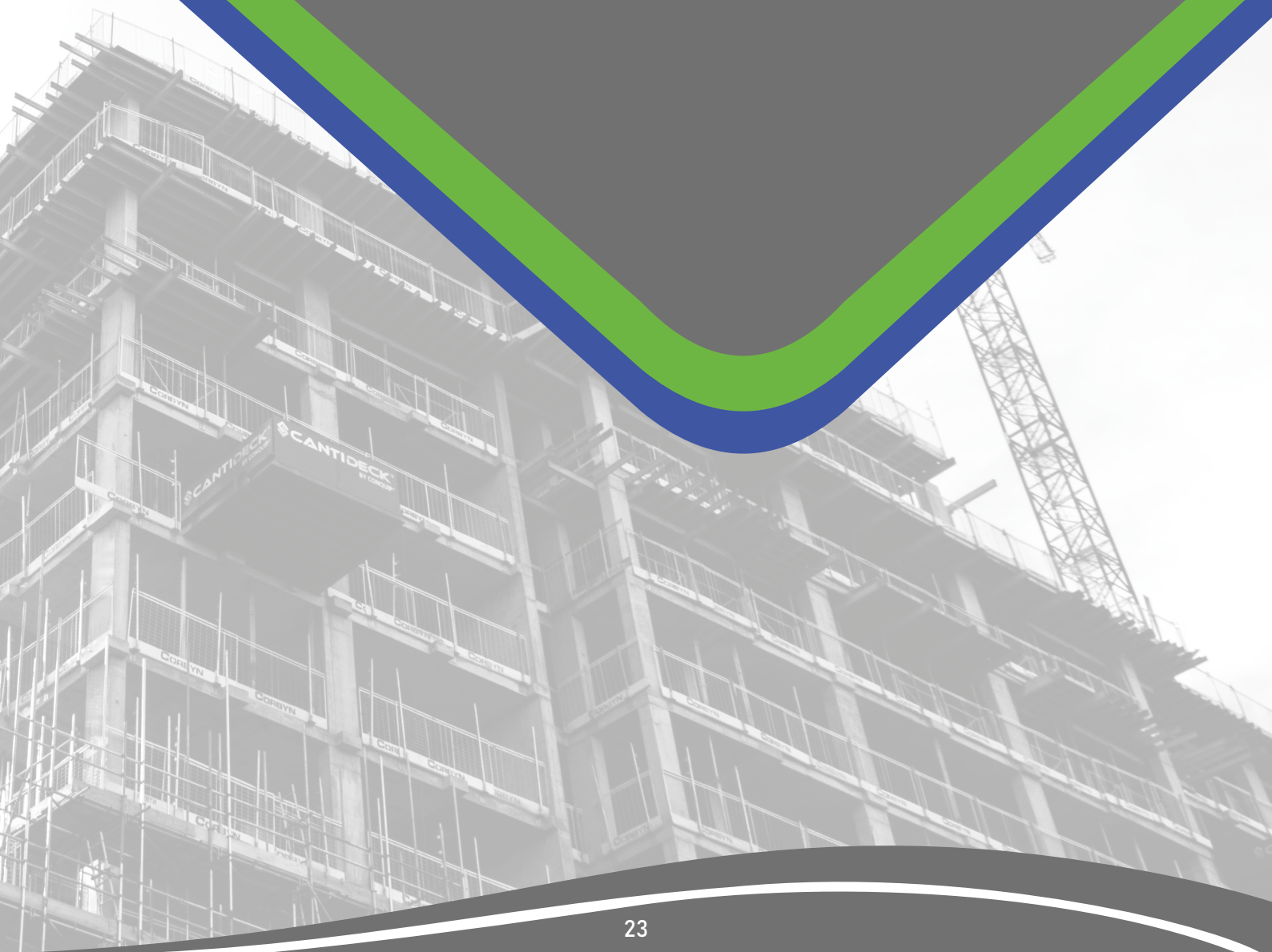
C. ROMOOAH
Director of Audit

National Audit Office
Level 14
Air Mauritius Centre
PORT LOUIS

18 June 2021

Financial Statements

Financial Year Ended 30 June 2020

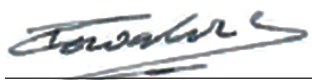


Statement of Financial Position as at 30 June 2020

	Notes	Year ended 30 June 2020 Rs	Year ended 30 June 2019 Rs
ASSETS			
<u>Non-Current Assets</u>			
Property, Plant and Equipment	3	975,887	946,866
Retirement Pension Assets	2.12.4	-	671,395
		975,887	1,618,261
<u>Current Assets</u>			
Inventories	4	292,029	196,256
Prepayments & Receivables	5	1,393,422	278,717
Cash and Cash Equivalents	6	8,687,560	4,655,878
Short Term Investment	7	-	10,000,000
		10,373,011	15,130,851
TOTAL ASSETS		11,348,898	16,749,112
FINANCED BY			
<u>General Fund</u>	8	3,922,043	5,843,002
<u>Non-Current Liabilities</u>			
Long Term Employee Benefits Obligations	9	1,628,766	2,060,017
Retirement Pension Obligation	2.12.4	951,773	-
		2,580,539	2,060,017
<u>Current Liabilities</u>			
Accruals & Payables	10	4,746,316	8,663,450
Short Term Employee Benefits Obligations	11	100,000	182,643
		4,846,316	8,846,093
Total Liabilities		7,426,855	10,906,110
		11,348,898	16,749,112

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

Approved by the Board on 15 June 2021 and signed on its behalf by:



T. Cowaloosur
Chairperson



G. Bundhooa
Member

Statement of Financial Performance for the year ended 30 June 2020

	Notes	Year ended 30 June 2020 Rs	Year ended 30 June 2019 Rs
REVENUE			
Government Grant		489,000	
Processing Fee (<i>Local</i>)	2.4.2	401,500	407,000
Registration Fee	2.4.2	13,910,820	13,067,331
Processing Fee (<i>Foreign</i>)	2.4.2	221,000	317,500
Fee for Temporary Registration	2.4.2	5,920,936	4,821,052
Appeal Fee		100,000	-
Surcharges		113,484	126,765
Workshop Participation Fee		-	2,317,500
Sale of National Schedule of Rates		3,000	6,000
Interest on Short Term Investment		199,916	12,002
		21,359,656	21,075,150
EXPENSES			
Depreciation	3	428,478	361,725
Employee Salaries and Benefits	12	10,576,464	10,549,150
Other Expenses	13	10,539,840	7,860,270
Finance Costs	14	8,982	8,698
		21,553,764	18,779,843
Surplus / (Deficit) for the Period		(194,108)	2,295,307

Statement of Cash Flow for the year ended 30 June 2020

	Year ended 30 June 2020 Rs	Year ended 30 June 2019 Rs
Cash Flows from Operating Activities		
Operating Surplus (Deficit) for the period	(194,108)	2,295,307
Adjustments for Non-cash Movements		
Depreciation of Property, Plant and Equipment	428,478	361,725
Remeasurement Gain (Loss)	(1,726,851)	674,109
Operating Surplus before Working Capital changes	(1,492,481)	3,331,141
Decrease (Increase) in Retirement Pension Assets	671,395	(671,395)
Decrease (Increase) in Inventories	(95,773)	15,982
Decrease (Increase) in Prepayments and Receivables	(1,114,705)	(11,335)
Decrease in Accruals & Payables	(3,917,134)	(3,868,815)
Increase (Decrease) in Employee Benefits Payable	(513,894)	321,926
Increase (Decrease) in Retirement Pension Obligation	951,773	(175,764)
Net Cash Flow from Operating Activities	(5,510,818)	(1,058,260)
Cash Flows from Investing Activities		
Acquisition of Fixed Assets	(457,500)	(93,422)
Purchase of Government of Mauritius Treasury Certificates	-	(10,000,000)
Cashing of Government of Mauritius Treasury Certificates	10,000,000	-
Net Cash Flow from Investing Activities	9,542,500	(10,093,422)
Net Increase (Decrease) in Cash and Cash Equivalents	4,031,682	(11,151,682)
Cash and Cash Equivalents at beginning of the Period	4,655,878	15,807,560
Cash and Cash Equivalents at end of Period	8,687,560	4,655,878

Statement of Changes in Equity for the year ended 30 June 2020

	Year ended 30 June 2020	Year ended 30 June 2019
	Rs	Rs
Opening Balance	5,843,002	2,873,586
Surplus (Deficit) for the period	(194,108)	2,295,307
	5,648,894	5,168,893
Remeasurement Gain (Loss) on Retirement Benefit Obligations	(1,726,851)	674,109
Closing Balance	3,922,043	5,843,002

Notes to the Financial Statements for the year ended 30 June 2020

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 2020 with comparative information for the 12 months ended 30 June 2019.

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 year ended 30 June 2020

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, consultants, service providers and suppliers of construction materials 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 as amended. 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. 401,500 and Rs. 221,000 respectively. Registration Fee and Fee for Temporary Registration relating to the current financial year amounted to Rs. 13,910,820 and Rs. 5,920,936 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 often charges a nominal participation fee to meet part of the costs incurred in the organisation of such events. During the current financial year no fee was charged for the only workshop organised.

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 year ended 30 June 2020

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 was for a maturity period of 364 days and the other one was for a maturity period of 182 days. Both of the Treasury Certificates were maturing within this financial year in December 2019 and June 2020 respectively. The money were subsequently not reinvested.

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 2019. 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 year ended 30 June 2020

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 2020 was as follows:-

	Year ended 30 June 2020 Rs	Year ended 30 June 2019 Rs
Amounts recognised in Statement of Financial Position		
Present value of funded obligation	6,533,299	4,163,237
(Fair value of Plan Assets)	<u>(5,581,526)</u>	<u>(4,834,632)</u>
	<u>951,773</u>	<u>(671,395)</u>
Amounts recognised in Statement of Financial Performance		
Service Cost:		
Current service cost	452,380	298,881
(Employee Contributions)	(178,367)	(174,533)
Fund expenses	10,702	55,322
Net Interest expense/ (income)	<u>(31,663)</u>	<u>(3,653)</u>
P&L Charge	<u>253,052</u>	<u>176,017</u>
Remeasurement		
Liability (gain)/loss	1,960,204	(741,821)
Assets (gain)/loss	<u>(233,353)</u>	<u>67,712</u>
Total Other Comprehensive Income (OCI) recognised	<u>1,726,851</u>	<u>(674,109)</u>
Total	<u>1,979,903</u>	<u>(498,092)</u>

Notes to the Financial Statements for the year ended 30 June 2020

Movements in liability recognised in Statement of Financial Position:

At start of year	(671,395)	175,764
Amount recognised in P&L	253,052	176,017
(Contributions paid by employer)	(356,735)	(349,067)
Amount recognised in OCI	1,726,851	(674,109)
At end of year	<u>951,773</u>	<u>(671,395)</u>

Actual return on plan assets:

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 2020	Year ended 30 June 2019
	Rs	Rs
Reconciliation of the present value of defined benefit obligation		
Present value of obligation at start of period	4,163,237	4,316,404
Current service cost	452,380	298,881
Interest cost	158,203	302,148
Benefits paid	(200,725)	(12,375)
Liability (gain)/loss	1,960,204	(741,821)
Present value of obligation at end of period	<u>6,533,299</u>	<u>4,163,237</u>

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 2020	Year ended 30 June 2019
	Rs	Rs
Reconciliation of fair value of plan assets		
Fair value of plan assets at start of period	4,834,632	4,140,640
Expected return on plan assets	189,866	305,801
Employer contributions	356,735	349,067
Employee contributions	178,367	174,533
Benefits paid+ other outgo	(211,427)	(67,697)
Asset gain/(loss)	233,353	(67,712)
Fair value of plan assets at end of period	<u>5,581,526</u>	<u>4,834,632</u>

Distribution of plan assets at end of period

	June 2020	June 2019
Percentage of assets at end of year		
Government securities and cash	61.7%	58.7%
Loans	3.0%	3.4%
Local equities	10.1%	13.1%
Overseas bonds and equities	24.6%	24.2%
Property	0.6%	0.6%
Total	<u>100.0%</u>	<u>100.0%</u>

Notes to the Financial Statements for the year ended 30 June 2020

Additional disclosure on assets issued or used by the reporting entity

	June 2020	June 2019
	(%)	(%)
Percentage of assets at end of year		
Assets held in the entity's own financial instruments	0	0
Property occupied by the entity	0	0
Other assets used by the entity	0	0

Components of the amount recognised in OCI

	June 2020	June 2019
	Rs	Rs
Year		
Currency		
Asset experience gain/(loss) during the period	233,353	(67,712)
Liability experience gain/(loss) during the period	(1,960,204)	741,821
Surplus/(deficit)	<u>(1,726,851)</u>	<u>674,109</u>

Expected Employer Contributions in 2019/2020 is Rs. 365,339

Weighted average duration of the defined benefit obligation is 22 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 2020	Year ended 30 June 2019
Discount Rate	3.80%	7.00%
Future salary increases	2.40%	4.00%
Future pension increases	1.40%	3.00%
Mortality before retirement	A 6770 Ultimate Tables	
Mortality in retirement	PA (90) Tables - 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 year ended 30 June 2020

2.13 Foreign Currency Translation

Fee for Temporary Registration 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 2019	1,659,482	1,706,038	1,032,900	4,398,420
Additions during the year	66,000	391,500	-	457,500
Assets Written Off	(84,499)	(462,931)	-	(547,430)
Cost - 30 June 2020	1,640,983	1,634,607	1,032,900	4,308,490
Aggregate depreciation - 1 July 2019	1,255,402	1,261,377	934,775	3,451,554
Depreciation for the year	89,764	306,006	32,709	428,478
Assets Written Off	(84,499)	(462,931)	-	(547,429)
Aggregate depreciation - 30 June 2020	1,260,667	1,104,452	967,484	3,332,603
Net Book Value - 01 July 2019	404,080	444,661	98,125	946,866
Net Book Value - 30 June 2020	380,316	530,155	65,416	975,887

4. Inventories

Unused Stationeries

Year ended 30 June 2020 Rs	Year ended 30 June 2019 Rs
292,029	196,256

Notes to the Financial Statements for the year ended 30 June 2020

	Year ended 30 June 2020 Rs	Year ended 30 June 2019 Rs
5. Prepayments & Receivables		
Salaries	160	-
Compensation 2017	92	-
Compensation 2018	263	-
Compensation 2019	292	-
Compensation 2020	219	-
Travelling & Mileage	936	15,309
Allowances & Overtime	730	-
Telephone & Internet	1,298	1,202
Rent	234,324	234,928
Motor Vehicle Running Expenses	8,531	8,555
Office Expenses, General Stores and Stationeries	1,390	3,397
Insurance	2,862	2,124
Interest on Short Term Investment	-	12,002
Workshop Fees	-	1,200
E-Registration Project	1,142,325	-
	1,393,422	278,717
6. Cash and Cash Equivalents		
Cash in hand	2,439	271
Cashier's float	2,000	2,000
Cash at Bank - Current A/c	82,404	23,462
Cash at Bank - Savings	8,600,717	4,630,145
	8,687,560	4,655,878
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	5,843,002	2,873,586
Surplus for the year	(1,920,959)	2,969,416
Closing Balance	3,922,043	5,843,002
9. Long Term Employee Benefits Obligations		
<i>Sick Leave Bank Account</i>		
Opening Balance	1,263,955	1,107,201
Increase in provision	128,397	156,754
Closing Balance	1,392,352	1,263,955
<i>Passage Benefits Obligation</i>		
Amount payable in more than one year (Note 10)	236,414	796,062

Notes to the Financial Statements for the year ended 30 June 2020

	Year ended 30 June 2020 Rs	Year ended 30 June 2019 Rs
10. Accruals & Payables		
Salaries	215	-
Allowance & Overtime	997	2,609
End of Year Bonus	304,901	271,701
Gratuity	157,240	156,682
Annual Leave	54,272	89,888
Professional Fees	100,000	325,000
Electricity	27,900	34,532
Telephone	6,987	2,831
Rebranding	-	92,000
Motor Vehicle Running Expenses	-	2,082
Cleaning Expenses	-	3,105
Registration Fee	219,581	3,996,750
Temporary Registration Fee	3,874,223	3,686,270
	4,746,316	8,663,450
11. Short Term Employee Benefits Obligations		
<i>Passage Benefits Obligation</i>		
Opening Balance	896,062	752,978
Adjustment *	-	(5,573)
Entitlement for the period	257,104	233,577
	1,153,166	980,982
Disbursement during the period	(816,752)	(84,920)
	336,414	896,062
Amount payable in less than one year	100,000	100,000
<i>Sick Leave Payment</i>		
Refund of Sick Leave not taken beyond the ceiling of 110 days	-	82,643
12. Employee Salaries and Benefits		
Salaries	7,092,138	7,335,403
Compensation 2017	24,134	23,288
Compensation 2018	79,877	79,682
Compensation 2019	88,752	43,852
Compensation 2020	28,174	-
Travelling & Mileage Allowance	969,545	1,028,095
Allowances & Overtime	140,924	38,976
End of Year Bonus	606,092	544,948
Sick Leave Payment	78,155	143,197
Sick Leave Bank Balance	128,397	156,754
Passage Benefits	257,104	228,004
Uniforms Allowance & Protective Equipment	13,030	10,380
Defined Benefit Pension Fund	253,052	176,017
Defined Contribution Pension Fund	280,115	134,517
Family Protection Scheme	106,142	80,597
NSF Contribution	102,565	96,380
NPF & Levy Contribution	31,800	60,716
Staff Training	19,200	21,000
Team Building & Staff Welfare	39,270	-
Gratuity	204,078	299,374
Annual Leave	33,920	47,970
	10,576,464	10,549,150

Notes to the Financial Statements for the year ended 30 June 2020

	Year ended 30 June 2020	Year ended 30 June 2019
	Rs	Rs
13. Other Expenses		
Council and Sub-Committee Fees	1,136,912	877,530
Professional Fees	180,700	199,450
Rent	2,819,135	2,819,135
Electricity	278,562	357,661
Telephone	117,514	108,486
Motor Vehicle Running Expenses	65,162	87,443
Office Expenses, General Stores and Stationeries	517,498	574,245
Workshop, Conference & Mission	578,100	1,754,920
Press Notices, Printing and Publications	255,645	239,245
Repairs and Maintenance	115,495	40,988
Rebranding	24,750	756,866
Cleaning Expenses	32,575	36,953
Insurance	9,238	7,348
NSOR Project	4,408,554	-
	10,539,840	7,860,270
14. Finance Costs		
Bank Charges	8,982	8,698
	8,982	8,698

15. Subsequent Event Review

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

16. Related Party Transactions

The only related party to CIDB was the Ministry of National Infrastructure and Community Development. For the current financial year government grant amounting to Rs. 13,000,000 was voted in the Budget 2019-2020 in favour of CIDB. During the financial year only an amount of Rs.489,000 was disbursed from the voted grant to meet the cost of renting of a venue for a workshop jointly organised by the parent Ministry and CIDB. It was agreed that CIDB would meet the cost of the venue whereas the Ministry would cater for other expenses related to that workshop. No further application for government grant was made as the Board had sufficient fund from revenue generated from registration of contractors, consultants, service providers and suppliers of construction materials to meet its monthly expenditure.

17. Top Management

The Top Management of the CIDB comprises the Executive Director, the Manager, Corporate Services and the Manager, Technical Services. The total remuneration including travelling and all other benefits of Top Management was Rs 4,947,926 for the financial year ended 30 June 2020.

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 Rs	Interest Rs.
Opening Balance - 01 July 2019	866,667	88,110
Remittance to Ministry of Public Infrastructure and Land Transport	(200,000)	(20,333)
Closing Balance - 30 June 2020	<u>666,667</u>	<u>67,777</u>