



CIDB

CONSTRUCTION INDUSTRY DEVELOPMENT BOARD



ANNUAL REPORT

2020-21





CIDB

CONSTRUCTION INDUSTRY DEVELOPMENT BOARD



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CONSTRUCTION INDUSTRY DEVELOPMENT BOARD



MESSAGE FROM THE CHAIRPERSON

In compliance with Section (33) of the CIDB Act, it gives me an immense pleasure to present the Annual Report for the Financial Year 2020/2021.

I took office as Chairperson of CIDB in September 2020, at a time when the country and indeed the construction industry was still reeling from the effects of the COVID-19 pandemic. Fortunately for our sector, business picked up again maintaining its position as the engine for economic growth.

It is praiseworthy that Government has rightly put emphasis on the Construction Industry as one of the key resilient sectors in these prevailing economic conditions greatly affected by the COVID 19 pandemic. Budget 2020/21 catered for continued investment on national public infrastructure as has been the case since the past few years thus stimulating the construction industry and further strengthening it as one among the main pillars of the economy.

As was the case during the year 2019/20, the activities of the CIDB were once again disrupted due to the pandemic. We had to show flexibility during these difficult times by extending the validity of the Certificate of Registration by two months for our registered consultants, contractors, service providers and suppliers of construction materials.

At the same time, being aware that there are many contractors, consultants, service providers and suppliers of construction materials who are not registered as required under the CIDB Act, a grace period of six months was granted to them from January to June 2021, to enable them to regularize their situation with CIDB. The result has been very conclusive as we have seen many contractors and other operators coming to register during that period.

In order to provide assistance to our stakeholders, mainly for those who need access to current rates being practiced in the sector, we published the Indicative Schedule of Rates. A list of common rates used in construction has been published on the CIDB Website for use as a guide by anyone who is interested to have an indication of construction rates for their project. A full book of construction rates is also available on request to professionals of the construction sector who are registered with the CIDB. The rates will be updated every semester to facilitate our stakeholders.

Due to the difficult situation, some projects in the pipeline have been delayed. The E-Registration platform that was due to be operational for the year 2020/2021 renewal of registrations will now be available for the next registration exercise.

CIDB has not been able to offer training courses targeted to our SME contractors. In terms of the review of legislations, several working sessions have been held on amendments of the CIDB Act, which would now hopefully be legislated during the coming financial year 2021/22.

On the operational side, CIDB has initiated the review of its internal processes in order to facilitate interaction with stakeholders. The implementation of a Quality Management System is in progress. A new Strategic Plan for the coming three-year period is being finalized and this will enable CIDB to move to the next level.

The year ahead will be very challenging in terms of deliverables. The focus will remain on quality, efficiency and effectiveness. I remain optimistic that CIDB will be ready to construct and consolidate the fundamentals for a thriving construction industry of the future.



I seize this opportunity to thank the Honorable Minister of National Infrastructure & Community Development, the staff of the Ministry, my colleagues of the Council and collaborating partners. I also thank the Management team and Staff of the CIDB for their unflinching cooperation and rely on them for their continuous support.

Tarkaswar COWALOOSUR
Chairperson



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CONSTRUCTION INDUSTRY DEVELOPMENT BOARD



EXECUTIVE DIRECTOR'S MESSAGE

I am pleased to present the 2020/21 Annual Report of the Construction Industry Development Board, comprising its activities and accounts for the financial year ending 30 June 2021.

As far as registration is concerned, some 1400 and 246 certificates were issued to contractors and consultants respectively. Statistics of other registered entities are also presented herein. Certain policy decisions were taken, and registration criteria reviewed, with a view to promoting ease of doing business and growth of the construction sector.

Important changes to the CIDB Act were initiated over this financial year, to address shortcomings noted and to improve the regulatory framework for the construction sector. Such proposed changes warranted lengthy discussions and consultations with all stakeholders. Towards the end of the financial year, consensus on the necessary amendments was reached and the proposed changes finalised.

The preparation of an “Indicative Schedule of Rates” (ISOR) for construction works had been commissioned by the CIDB during the previous financial year. The consultancy assignment was successfully completed in October 2020 by a team of local consultants. This ISOR, which is now available on the website of CIDB but with a controlled access, will be regularly updated. It is hoped that the ISOR will prove helpful to stakeholders interested in rates and prices for construction works.

CIDB was unable to organise workshops and training sessions over the past financial year, due to the sanitary restrictions imposed in the wake of the covid-19 pandemic. However, it is hoped that things will now improve and that such events will be resumed as soon as possible.

Two important developments are also worthy of mention here, namely the award of two consultancy contracts to local consultants. One concerns the implementation of a Quality Management System at CIDB, and the other one comprises a study on aggregates and other construction materials. These two projects have been progressing satisfactorily and were still on-going at the end of June 2021. The E-Registration project initiated by CIDB in June 2020, on the other hand, fell behind schedule. It had still not been completed by the end of June 2021.

Ramen BAHADOOR
Executive Director



ABOUT 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.

The CIDB operates under the aegis of the Ministry of National Infrastructure and Community Development. It is governed by a Council comprising 11 members including the Chairperson.

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

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.



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



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CONSTRUCTION INDUSTRY DEVELOPMENT BOARD



CORPORATE GOVERNANCE REPORT

Statement of Compliance

Name of Public Body: Construction Industry Development Board

Reporting Period: 30 June 2021

We the Council Members of the Construction Industry Development Board (CIDB) hereby confirm that to the best of our knowledge that the Council has not complied with the following Principles of the National Code of Corporate Governance for Mauritius (2016):

1. Principle 1: Governance Structure

Board Charter (Page 6)

The CIDB is now drafting a Council Charter which will subsequently be submitted to the Council for approval.

CIDB

CONSTRUCTION INDUSTRY DEVELOPMENT BOARD



T. Cowaloosur
Chairperson



G. Bundhoo
Member

Date: 15 March 2022



Principle 1 – Governance Structure

Introduction

The Construction Industry Development Board (CIDB) is established under Section (4) of the CIDB Act 2008. It operates under the aegis of the Ministry of National Infrastructure and Community Development. Section (8) of the CIDB Act provides for a Council to administer the CIDB. The Council is in fact equivalent to the Board as referred to in the National Code of Corporate Governance for Mauritius (2016).

The Council is responsible and accountable for the performance and activities of the organization. The role of the Council is to oversee executive management and the proper functioning of the organization.

The Council Charter

A Board Charter provides the terms of reference for the Board and describes how it should operate.

Given the size of the organization and the fact that the Council is established under the CIDB Act 2008, the need for a Charter has never been felt necessary. However, in view of the general recognition for every Board to have a Board Charter, the Council has now decided to develop one. A Council Charter is being drafted and would be submitted to Council for its approval by the end of 2021.

Code of Ethics

A Code of Ethics sets out corporate values that inspire trust and confidence in an organization. It also sets out standard behaviours in the dealings of the organization, that is what is acceptable behaviours and what not.

The CIDB being a public body is bound by the Code of Ethics for Public Officers issued by the Ministry of Public Service, Administrative and Institutional Reforms. All Officers, including the Council Members of CIDB shall adopt the principles of the Code of Ethics for Public Officers. The Council operates in all transparency and fairness.

The Council Members comprise mostly of private sector professionals and Public Officers. The Members coming from the private sector are bound by the Code of Ethics of their respective professions, whereas the public officers are directly bound by the Code of Ethics for Public Officers.

Job Descriptions or Position Statements

The Chairperson of the Council is appointed by the Minister of the Ministry of National Infrastructure and Community Development. There is no need for a formal written position statements for the office of the Chairperson as the latter works in accordance with the provisions of the CIDB Act.

Chairperson of Committees

Committees are set up by the Council to assist it in carrying out its functions efficiently. The Terms of Reference of the Committees are determined by the Council which also appoint a Chairperson for each of the Committees. The appointed Chairpersons of those Committees are called upon to exercise the functions and has the power of the Chairperson.

There is no written position statements for Chairpersons of Committees as they operate in accordance with the provisions of the CIDB Act.



The Executive Director

The Chief Executive Officer called Executive Director as per the Scheme of Service, is appointed by the Council under Section (11) of the CIDB Act 2008. The appointment is made with the approval of the Minister of National Infrastructure and Community Development, on such terms and conditions as the Council thinks fit.

The job description for the position of the Executive Director is specified in the prescribed Scheme of Service for the post. The qualification requirements and the salary and benefits are also prescribed in the Scheme of Service which is approved by the Council.

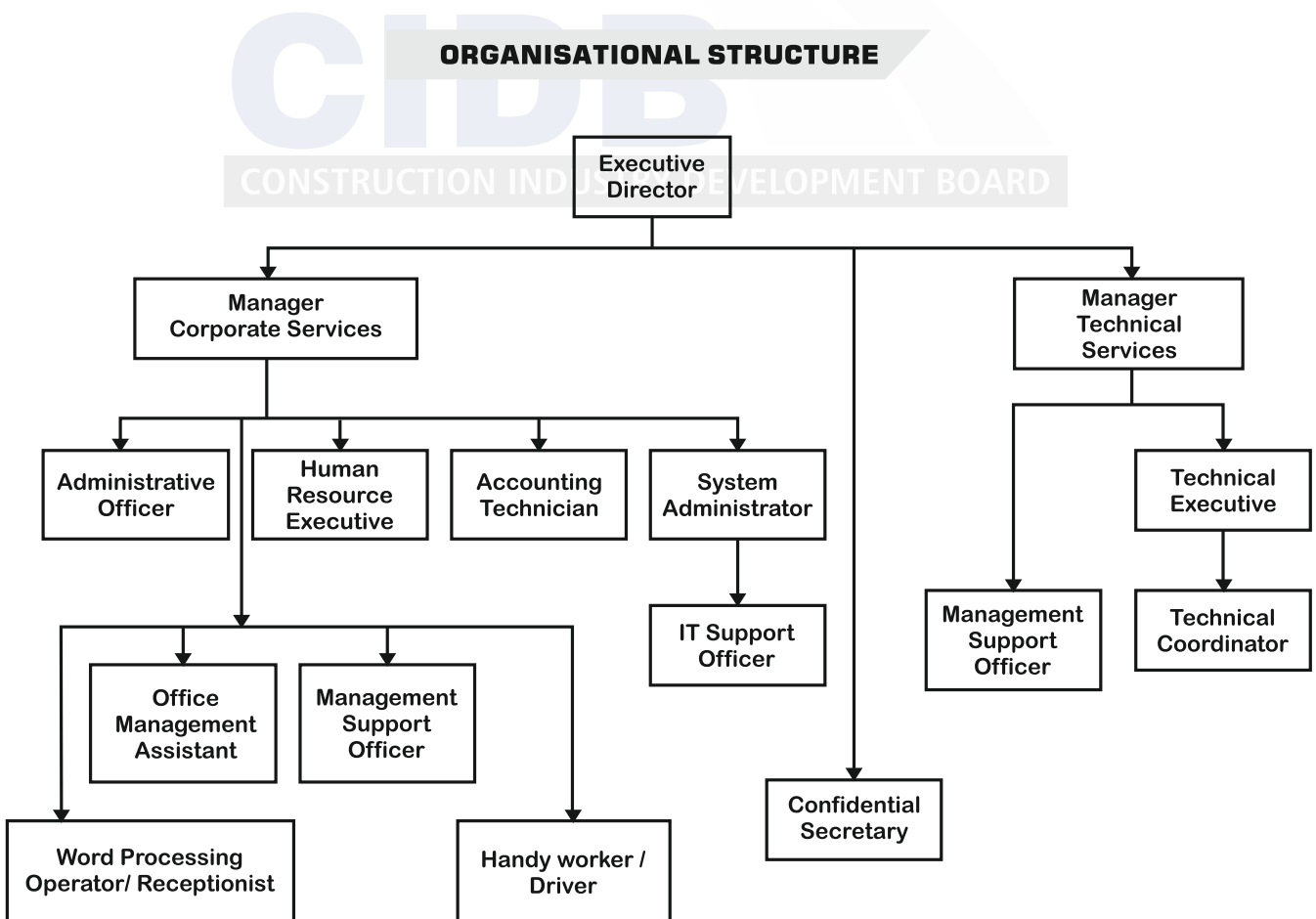
The Secretary of Council

The Manager Corporate Services is assigned with the responsibility to act as the Secretary of the Council. This responsibility is specified in the Scheme of Service for the post of Manager Corporate Services. The incumbent is a Professional Accountant and is legally fully eligible to act as Board Secretary.

Organizational Chart

There is an Organizational Chart which has been approved by the Council. It provides a structure for Management to operate effectively and efficiently.

All the posts in the Organizational Chart have proper and prescribed Schemes of Service which provide for the appellation, the qualification, the salary and the duties for the post. It also provides the level of responsibilities and accountabilities for each post.



Public Interest Entity

The CIDB is not listed as a Public Interest Entity as defined in the Financial Reporting Act.

The Council assumes the responsibility for leading and controlling the CIDB and meeting all legal and regulatory requirements.

The CIDB Act 2008, all amendments thereof and all the Regulations made under the Act are posted on the Website of CIDB.

Principle 2 - The Structure of the Council and its Committees

Council Structure

The CIDB has a Unitary Board known as the “Council”. It consists exclusively of Non-Executive Directors. The Members are representatives of Ministries, professional Councils and industry associations. All the Council Members are independent except those representatives coming from Ministries.

The Council provides strategic directions to the organisation and ensure it meets its corporate objectives. The Council is also the final decision-making level. It ensures that proper control mechanisms are put in place to comply with all relevant laws and regulatory requirements and good corporate practices.

Council Size

The Council is set up under Section (8) of the CIDB Act 2008 and comprises of eleven members as follows:

- (i) A Chairperson, appointed by the Minister of National Infrastructure & Community Development;
- (ii) A Representative of the Ministry of National Infrastructure & Community Development;
- (iii) A Representative of the Ministry responsible for the subject of Environment;
- (iv) A Representative of the Ministry responsible for the subject of Local Government;
- (v) A Representative of the Professional Architects' Council established under the Professional Architects' Council Act;
- (vi) A Representative of the Professional Quantity Surveyors' Council established under the Professional Quantity Surveyors' Council Act;
- (vii) A Representative of the Council of Registered Professional Engineers of Mauritius established under the Registered Professional Engineers Council Act;
- (viii) A Representative of the Small and Medium Enterprises of the construction sector, appointed by the Minister of National Infrastructure & Community Development;
- (ix) A Representative of an Association of Contractors for Building and Civil Engineering Works, appointed by the Minister; of National Infrastructure & Community Development;
- (x) A Representative of an Association of Contractors for Mechanical and Electrical Works, to be appointed by the Minister of National Infrastructure & Community Development; and
- (xi) A Person having wide experience in the Construction Industry, appointed by the Minister of National Infrastructure & Community Development.

The Council is satisfied that its composition is appropriately balanced and that there is the necessary skills, expertise and experience to enable it to discharge its duties and responsibilities effectively.



Composition of Council

The Composition of the Council for the year under review was as follows:

Mrs Nadia Daby Seesaram (Up to July 2020)

Professional Engineer

Chairperson

Mr Tarkaswar Cowaloosur (As from August 2020)

Chairperson

Mr Parmanand Mawah (Up to December 2020)

Deputy Permanent Secretary

Representative of Ministry of National Infrastructure and Community Development

Mr Geeanesswar Bundhooa (As from January 2021)

Deputy Permanent Secretary

Representative of Ministry of National Infrastructure and Community Development

Mr Vasant Ramtohul (Alternate)

Assistant Permanent Secretary

Representative of Ministry of National Infrastructure and Community Development

Mr Ajay Teeluckdharry (Up to July 2021)

Deputy Permanent Secretary

Representative of Ministry of Local Government and Disaster Risk Management

Mr. Mohamud Ehsan Gurreeboo (As from July 2021)

Environment Officer

Representative of Ministry responsible for the subject of Environment

Mr Gilles Moorghen

Professional Architect

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

Mr Shridananda Daliah

Professional Engineer

Representative of the Council of Registered Professional Engineers

Mr Mohammad Salim Pokun

Professional Architect

Representative of the Professional Architects' Council

Mr Veerprakash Sadeo

Professional Quantity Surveyor

Representative of the Professional Quantity Surveyors' Council

Mr Ravisingh Guppy

Professional Engineer

Representative of the Building and Civil Engineering Contractors Association

Mr Nicolas Pougnet (Alternate)

Chief Executive Director, Building & Civil Engineering Co. Ltd

Representative of the Building and Civil Engineering Contractors Association



Mr Ashutosh Hurbungs

Commercial Manager, Manser Saxon Contracting Ltd

Representative of the Mechanical and Electrical Engineering Contractors Association

Mr Shyam Ramsurrun (Alternate)

Commercial Manager, System Building Contracting Ltd

Representative of the Mechanical and Electrical Engineering Contractors Association

Mr Vidianand Toofanny

Representative of the Association of Small Contractors

Representative of SME Contractors

The Members of the Council are all of integrity with broad knowledge and experience in the Construction Industry and have commitment to the Council. They have a clear understanding of their role and responsibilities and are able to exercise sound judgement in the conduct of the business of CIDB.

Chairperson

The Chairperson of the Council is appointed by the Minister of National Infrastructure & Community Development to hold office for a period of 2 years.

The Chairperson provides leadership to the Council and is primarily responsible for the overall activities of the Council and its Committees.

In the event the Chairperson is in a situation of conflict, then the Member representing the parent Ministry assist the Council to deal with the actual or perceived conflict of interest.

The main responsibilities of the Chairperson is inter alia to ensure that:

- (i) Agendas of Council meetings are determined;
- (ii) Council Members receive all information necessary for them to perform their duties;
- (iii) Council Meetings are chaired in an effective manner;
- (iv) Council has sufficient time for consultation and decision-making;
- (v) Minutes of Council and Committees meetings are kept;
- (vi) Committees function properly;
- (vii) Problems related to the performance of individual Council Members are addressed promptly; and
- (viii) Internal disputes and conflicts of interest concerning individual Council members and the possible resignation of such members as a result thereof are addressed.

Board Diversity

The composition of the Council of CIDB is made in accordance with Section (8) of the CIDB Act 2008.

Besides the Chairperson, there are ten representatives both from the private and the public sector representing professional institutions/industry associations and public bodies. For the composition of the Council, the parent Ministry writes to all those institutions inviting them to designate their respective representatives on the Council of CIDB. It is then the responsibility of those institutions to designate their representatives whom they believe have the necessary skills, experience and knowledge to discharge their duties and responsibilities effectively in the Council.



Whilst the Council consists mainly of men, it is worth noting that the previous Chairperson was a lady.

Residency of Council Members

The Council Members of CIDB are all ordinarily residents of Mauritius.

Council Committees

Section (10) of the CIDB Act provides for the Council to appoint such Committees as it considers appropriate to assist it in carrying out its functions. The Council agrees that Committees are suitable mechanism to assist it in discharging its duties through a more comprehensive analysis of specific issues, followed by well-considered recommendations.

Three Committees were set up by the Council viz, the Corporate Development Committee, the Technical Development Committee and the Audit and Risk Committee. All the three Committees have the appropriate balance of skills, expertise and experience to discharge their respective duties and responsibilities effectively.

During the year under review, two of the existing Committees namely, the Corporate Development Committee and the Technical Development Committee were fused into a single Committee named the Technical and Operational Committee.

The Council after assessing the need for both Committees, concluded that it would be more appropriate to assign the duties and responsibilities to a single Committee as the development of the organisation was favouring for such a situation.

The Terms of Reference of all Committees are determined by the Council with clearly defined duties and responsibilities for each of them.

The Corporate Development Committee

The Corporate Development Committee was set up in 2015 and was responsible to advise Council on finance matters including audit, human resources, e-services, registration matters and communication.

In 2018, the Council decided that the Committee should be split into two distinct Committees namely a Corporate Development Committee to handle only corporate issues and a Technical Development Committee for technical issues.

Finally, in May 2021, Council decided to revisit the functioning of the existing two Committees in the light of the experience gained during the past few years.

The two Committees were then merged into a single Committee, named as the Technical and Operational Committee.

The Composition of the Committee as at May 2021 was as follows:

Chairperson:

Mr Ajay Teeluckdharry

Members:

Mr Parmanand Mawah (*Up to December 2020*)

Mr Geeanesswar Bundhooa (*As from January 2021*)

Mr Mohammad Salim Pokun

Mr Mohamud Ehsan Gurreeboo

Secretary:

Mr Trilock Bhunjun (*Manager Corporate Services*)



The Technical Development Committee

The Technical Development Committee (TDC) was set up in 2018, following the split of the Corporate Development Committee into two Committees. The main responsibility of the TDC was to examine all technical matters before submission to Council. The TDC had also the responsibility to advise the Council on any technical matters and had to examine all applications for registration before their consideration by Council. The TDC was composed of five Members from the Council. The Manager Technical Services was servicing the Committee as Secretary.

The Composition of the Committee as at May 2021 was as follows:

Chairperson:

Mr Shridananda Daliah

Members:

Mr Gilles Moorghen

Mr Vidianand Toofanny

Mr Veerprakash Sadeo

Mr Ashutosh. Hurbungs

Secretary:

Mr Vinay Kumar Rawoo (*Manager Technical Services*)

The Technical & Operational Committee

The Technical & Operational Committee (TOC) was set up in May 2021, following the merging of the Corporate Development Committee with the Technical Development Committee. The TOC comprises of four members of Council and the Representative of the Ministry of National Infrastructure & Community Development has been designated as Chairperson of the Committee. There is a balance of expertise, skills and knowledge in the Committee, as two of the members have technical background whereas the other two members have an administration background.

The Composition of the Committee as at 30 June 2021 was as follows:

Chairperson:

Mr Geeanesswar Bundhooa

Members:

Mr Ajay Teeluckdharry

Mr Shridananda Daliah

Mr Veerprakash Sadeo

Secretary:

Mr Trilock Bhunjun (*Manager Corporate Services*)



Audit and Risk Committee

The Audit and Risk Committee (ARC) was set up in September 2019 and was composed of Mr R. Guty, Mr S. Pokun and Mr Y. Pathel.

The Terms of Reference of the ARC were mainly to oversee the audit and risk management function of CIDB.

The Council was reconstituted in August 2020 and there was the intention to reorganize all the existing Committees. The ARC was not yet constituted by 30 June 2021.

Principle 3: Director Appointment Procedures

The Members of the Council are appointed by the Ministry of National Infrastructure and Community Development in accordance with Section (8) of the CIDB Act 2008.

Profile of Council Members

A short biography of each Council Member including their experience, skills and expertise are given below.

Mr Tarkaswar Cowaloosur

Chairperson

Mr Tarkaswar Cowaloosur, also known as Raj, retired at the end of July 2020 after 43 years of service at Mauritius Telecom, the leading ICT operator in Mauritius, out of which he has been part of the top management team for 34 years. Over the years, he has been heading various areas of the business and has acquired in depth expertise in many fields.

He is conversant with organisational restructuring, business development, customer experience transformation, organisational development, and digital transformation. Since 1986, he has been serving at the General Manager and C-levels of the company in functions related to Strategic Implementation, Human Resources, Customer Experience, Sales & Marketing, Property & Real Estate Management, and Supply Chain & Logistics Management.

Among the highlights of his career, he has several achievements that have become landmarks in the history of telecommunications of Mauritius. These include the launch of the GSM mobile service in 1996 in his capacity as General Manager. Raj has served as Board member in the eight subsidiaries of Mauritius Telecom Group up to his retirement.

Following his retirement, Raj has been appointed Chairperson of Construction Industry Development Board (CIDB) since September 2020.

Mr Parmanand Mawah

Was Deputy Permanent Secretary at the Ministry of National Infrastructure and Community Development until December 2020.

He has now been promoted as Permanent Secretary and is posted at the Ministry of Health and Wellness.

Mr Geeanesswar Bundhoo

Deputy Permanent Secretary at the Ministry of National Infrastructure and Community Development and is the representative of the Ministry on the Council.

Mr Vasant Ramtohul

Assistant Permanent Secretary at the Ministry of National Infrastructure and Community Development and is the Alternate representative of the Ministry on the Council.



Mr Ravisingh Guty

Holder of a Master's Degree in Civil Engineering and City Planning from I.N.S.A., Grande Ecole d'Ingénieur, Lyon, France. He is a Registered Professional Engineer with the Council of Registered Professional Engineers of Mauritius since 2014 and also a Fellow Member of the Institution of Engineers Mauritius

Mr Ravisingh Guty has worked as a Trainee Engineer in France for 2 years. He has occupied the post of Site Engineer/Site Manager, Contract Manager and Senior Contracts Manager at Gamma Civic. He has been Head of Department (Civil and Roads) and has been involved in various major civil and infrastructure projects over the past 20 Years.

Mr Ravisingh Guty currently holds the post of Deputy CEO at Gamma Construction Ltd and is also the Vice Chairperson of the Building and Civil Engineering Contractors Association.

Mr Mohamud Ehsan Gurreeboo

Holder of a Master's Degree in Sustainable Environmental Management jointly from the University of Mauritius & University of Technology, Mauritius, Year 2008.

Mr Mohamud Ehsan Gurreeboo has worked as Environment Officer since May 2006 at the Environmental Assessment Division, Ministry of Environment, Solid Waste Management and Climate Change. He has worked as Part-Time Lecturer at the University of Technology, Mauritius since 2018.

Mr Mohamud Ehsan Gurreeboo has been an Alternate Member of the National Heritage Fund Board, Member of the Morcellement Board and Alternate Member of the Real Estate Investment Trust

He currently holds the post of "Environment Officer/Senior Environment Officer" at the Ministry of Environment, Solid Waste Management and Climate Change.

Mr Mohammad Salim Pokun

Holder of a «Diplôme D'études Fondamentales en Architecture (de France)», «Diplôme D'architecte Diplômé par le Gouvernement (Dplg)» from Ecole D'Architecture de Marseille-Luminy (France).

Mr Mohammad Salim Pokun holds additional Certificates in «Projet Architectural et Construction», «Outils Informatique pour le Projet Architectural», «Programme et Maîtrise D'ouvrage» and «Montage d'Opérations Immobilière»
He is a Registered Professional Architect since 1995.

Mr Mohammad Salim Pokun has worked as Trainee Architect at Lampotang & Siew Architects from 1990 to 1993. He worked as Freelance Architect from 1995 to 2001. He has occupied the post of Architect at the Ministry of Public Infrastructure, Land Transport and Shipping from 2001 to 2008. He worked as Senior Architect at Ireko Property Ltd from 2008 to 2012. He was the Vice/Senior President Design Studio Infrastructure Maintenance and Projects from 2013 to 2015 at Iframac Ltd.

He is currently a Freelance Architect.

Mr Shyam Ramsurrun

Holder of a B.Tech (Hons) Degree in Electrical & Electronic Engineering year 1989.

He has also been a Member of the Board of Mauritius Standards Bureau, the Mechanical and Electrical Engineering Contractors Association (Past President) and Institutions of Engineers Mauritius.



Mr Shyam Ramsurrun is specialized in Electrical Engineering, MEP Contracting/Contract Management, Contractual Management, Procurement Strategies, Cost Control, Commercial Negotiations, Commercial Management, Tendering with an overall 32 years' Professional experience in Construction

He currently holds the post of Commercial Manager at Systems Building Contracting Ltd.

Mr Ajay Teeluckdharry

Holder of a Master's Degree in Public Sector Management, a Degree in Agriculture with Specialisation in Agricultural Extension and a Diploma in Software Applications and a Certificate in Project Leadership and Certificate in Public Procurement.

From July 2004 to May 2005, Mr Ajay Teeluckdharry was Assistant Research Scientist at Agricultural Research and Extension Unit (AREU). He occupied the post of Irrigation Operation and Maintenance Officer at the Irrigation Authority.

He has 17 years' experience in the public sector and has significantly contributed to several projects in the Local Government.

From December 2007 to January 2021, he was Assistant Permanent Secretary at the Ministry of Local Government and Disaster Risk Management.

Mr Ajay Teeluckdharry is serving as Secretary to the Unified Local Government Service Board and that of the National Disaster Risk Reduction and Management Council. He is also a Board Member of the National Heritage Fund and the Tourism Authority.

He currently holds the post of Deputy Permanent Secretary at the Ministry of Local Government and Disaster Risk Management.

Mr Gilles Moorghen

A Registered Professional Member of the Professional Architects' Council (PAC) and of the Ordre des Architectes d'Alsace, France.

Mr Gilles Moorghen is currently a Freelance Architect.

Mr Shridananda Daliah

A Registered Professional Engineer (RPEM 356) in Electrical and Electronic Engineering.

Mr Shridananda Daliah is a Fellow Member of the Institution of Engineers Mauritius (IEM), a Board Member of the Association of Consulting Engineers (Mauritius) (ACE), Member of the Engineering Accreditation Board (EAB), Council Member of the Construction Industry Development Board (CIDB) and Chairperson of CRPE since 2017.

He has over 38 years of post-registration experience both in Contracting and Consultancy.

He is also a Certified Energy Audit Professional (2016) and a certified Energy Efficiency Building Code Compliance Assessor (2016).

He is currently the Director of PRO-FIVE LTD, a Consultancy firm in Building services and located in Ebene Cybercity.

Mr Veerprakash Sadeo

A Registered Professional Member of the Professional Quantity Surveyors' Council (PQSC) and the Royal Institution of Chartered Surveyors (RICS). He is the Vice-President and Immediate Past President of MAQS. He is also Vice-Chairperson of PQSC and representative of PQSC on CIDB council. He is the Representative of the Southern African Region on the African Association of Quantity Surveyors (AAQS) Council.

Mr Veerprakash Sadeo has served the RICS (Mtius) for several years and been appointed as President, Vice-President, Secretary and Treasurer.

He has been in consultancy services for 29 years and has set up his own practice since 14 years offering Quantity Surveying and Project Management Services.

He is currently the Director of VS Consulting Co Ltd.

Mr Nicolas Pougnet

Holder of a Higher National Diploma in Civil Engineering, Natal Technikon, South Africa.

He has over 35 years' experience in building construction both in South Africa (Murray & Roberts) and in Mauritius (Rehm-Grinaker and General Construction). He is an Executive Member of the Building and Civil Engineering Contractors' Association (BACECA).

He is currently the Managing Director of Building and Civil Engineering Co Ltd (BCE).

Mr Ashutosh Hurbungs

Holder of a Bachelor of Engineering in Electrical and Computer Engineering from the National University of Singapore, a Master of Business Administration (Marketing) from the University of Technology. He also holds a Post Graduate Diploma in Construction Law and Dispute Resolution from the Leeds Metropolitan University (UK), and a MSC in Financial Management from the Heriot Watt University (UK). Mr Ashutosh Hurbungs is also a registered Electrical Engineer with the Council of Registered Professional Engineers.

He is currently the Acting Chief Operating Officer of Manser Saxon Group which specialises in MEP installations and Fit Out works.

Mr Vidianand Toofanny

Founder and Director of New Horizon Builders Ltd, a Local Contractor in Building and Civil Engineering Works. Mr V. Toofanny has over the years, acquired wide experience in the field of Building and Civil Engineering works, Plumbing Installation Works, Construction of Swimming Pools, Infrastructural Works and Telecom Infrastructure Development in Mauritius.

Mr V. Toofanny is a founder Member of the Association of Small Contractors and is the current Chairperson of the Association.

Induction and Orientation of Council Members

No formal induction or orientation exercise is held for new Members who join the Council. However, new Members at their very first Meeting are briefed both by the Chairperson and the Secretary about the functioning of the Council and about their roles and responsibilities as Members. They are also informed, *inter alia*, of the provisions in the CIDB Act 2008, regarding meetings of the Council and the need to disclose their interest where they may have a direct or indirect interest in any matter



Planning and Succession of Key Stakeholders

In accordance with Section 8(3) of the CIDB Act 2008, every Council Member shall hold office for a period of 2 years. The Act also provides that a Council Member other than an ex-officio member may not serve for more than 2 consecutive terms, unless the Minister reappoints him on account of his exceptional experience and the importance of his continued membership for the purpose of implementing a plan of action that he initiated.

A Member of the Council must immediately vacate his office in the following circumstances:

- (i) If he is convicted of any offence involving fraud or dishonesty;
- (ii) If he has been removed from an office of trust on account of his misconduct; or
- (ii) For any reason provided under Section 37(3) of the Interpretation and General Clauses Act

Professional Development

Training and Development needs are provided to Senior Management Team and also to all other staff of the organisation. However, no formal training is provided to Members of the Council as most of them are professional of the industry who need to comply with the requirements for Continuous Professional Development in their respective fields.

Succession Planning

CIDB is a learning organisation. The Senior Management Team is provided training for the managers to improve their skills and competence in other areas to make them become multiskilling and ready to assume higher responsibilities when the need arises.

Principal 4: Director Duties, Remuneration and Performance

The CIDB Act provides the overall responsibility of the Council to administer the organisation. There is no other formal document to detail the roles and responsibilities of the Council Members. However, the Members are individually aware of their roles and responsibilities and fulfil them with commitments and dedication.

The Council is fully aware that the roles and responsibilities need to be provided in a statement so that all the members could have the same reading and interpretation and thus can assume full responsibility. In this respect, the Council is currently drafting a Council Charter wherein the roles, responsibilities and duties of Council Members would inter alia be clearly specified.

Conflict of Interest

Member of Council are aware of the provisions of Section (14) of the CIDB Act 2008, which stipulates that *“a member of the Council, the Executive Director or any employee who has a direct or indirect interest in any matter brought before the Council shall immediately inform the Council; and shall not participate in the deliberations or any part of the decision-making process in relation to that matter.”*

In accordance with the recommendations of ICAC a Register of Conflict of Interest is also kept by the Secretary of Council. Members of Council and Sub Committees are required to record any conflict they may have on a matter at a Meeting. In such circumstances, a Member is not allowed to participate in any discussion on the matter nor does he has the right to vote at that meeting.

Given that the Council has to approve all applications for Registration of Consultants, Contractors, Service Providers and Suppliers, very often Members who specially come from the private sector finds themselves in situation of conflict and thus make a declaration of their interest accordingly. This is recorded in the Minutes of Meeting and an entry is also made in the Register of Conflict of Interest.

The Chairperson of the Council and Subcommittees, without fail reminds Members of the need to declare their interest at the beginning of every meeting and same is recorded in the Minutes of Proceedings.

Right to Information

The Council has the overall responsibility for the information governance system of CIDB including the governance of security of information. The CIDB is registered as a Data Controller under the Data Protection Act.

The Council, Subcommittees and their Members are provided with all the information they require to take informed decisions. They may also request any other complementary information they may require in the course of their duties which is then provided to them.

Council Papers and other documents are circulated in advance to Council Members and Committee Members. Members are aware and are continuously reminded to protect the confidentiality of the information circulated to them. All papers and documents circulated to Council Members bear a footer reminding them of the obligation not to circulate the documents and of its confidentiality nature.

Information, Information Technology and Information Security Policies

The Council is responsible to provide adequate resources to ensure that information and information security are aligned with the business strategy and legal requirements to safeguard the information.

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. 5M was voted in the Budget 2020-2021 in favour of CIDB.

During the Financial Year all the amount of Rs.5M was disbursed from the voted grant. No further application for government grant was made as the Board had sufficient funds from revenue generated from registration of contractors, consultants, service providers and suppliers of construction materials to meet its expenditure.

Evaluation of Boards, Committees and Council Members

There is no formal evaluation of Council Members as they have been appointed by the parent Ministry. The Members of the Committees are also not evaluated being representatives appointed by the Parent Ministry and the Council.

Secretary's Responsibility

The Secretary of the Council is a Chartered Accountant and hence is legally qualified to act as a Secretary as per the Companies Act. He is well versed with governance principles and the responsibilities of his position. The secretary fulfils his duties in accordance with the statutory requirements and corporate governance principles.

Remuneration of Council Members

The remuneration of Council Members is governed by the provisions of the recommendations contained in the PRB Report. However, given the amount of work being done by the Council, the parent ministry has been invited to revise the fees paid to Council Members.

Fees Paid to Members for Financial Year 2020/21

Members	Council Meeting Attended	CDC Meeting	TDC Meeting	APIC Meeting	TOC Meeting	Total Fees (Rs)
	14	7	17	2	2	
Mrs. N. Daby Seesaram	2/14*			2/2		69,677
Mr T. Cowaloosur	12/14					410,666
Mr. P. Mawah	3/14	1/7				4,175
Mr G. Bundhooa	6/14	1/7			2/2	10,385
Mr V. Ramtohol	4/14					4,480
Mr. A. Teeluckdharry	12/14	7/7		1/2	2/2	24,940
Mr. S. Daliah	14/14		16/17		2/2	39,880
Mr. S. Pokun	9/14	3/7				12,295
Mr. V. Toofanny	11/14		13/17			25,445
Mr. S. Ramsurrin	3/14					3,360
Mr. V. Sadeo	14/14		12/17		1/2	28,725
Mr. R. Guty	9/14			2/2		11,710
Mr. N. Pougnet	1/14					1,120
Mr. N. Hurbungs	6/14		2/17			8,580
Mr. M. E. Gurreeboo	10/14	6/7				16,320
Mr. G. Moorghen	8/14		2/17			10,590
Mrs C. Rouillard				2/2		1,630

CDC – Corporate Development Committee

TDC – Technical Development Committee

APIC – Action Plan Implementation Committee

TOC – Technical and Operational Committee

* Was Chairperson until July 2020

Principle 5: Risk Management and Internal Control

Section (8) of CIDB Act 2008 stipulates that the CIDB shall be administered by the Construction Industry Development Council. As such the Council is responsible and accountable for the performance of the organization. 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 also responsible for ensuring that there is adequate Internal Control System so that control objectives are met.

The Council is mandated to:

- Provide strategic direction and leadership to the organisation;
- Review the objectives, strategies and functioning of the organisation;
- Ensure that the CIDB 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 CIDB;
- Ensure the integrity of the organization's accounting and financial reporting system for monitoring and managing, financial control, and compliance with law and relevant accounting standards.



The CIDB is a very small organization and with a not too significant Budget of around Rs 20M annually. The size of the personnel is presently limited to twenty, but the organic growth of the organization is on-going.

There is proper segregation of duties in the Finance Section. Roles and responsibilities of officers thereat are clearly defined and there is proper monitoring and supervision of the duties of those officers.

Given the size of the organization, a separate Internal Control Unit/Division is not warranted at this stage. However, as the organization grows, the need to set up an Internal Control Unit would obviously arise. In the meantime, Management and the Council ensure that there is proper internal control mechanism and a proper system of risk management.

The parent Ministry delegates its Internal Control Unit to carry out internal control assignments at CIDB when it is deemed necessary.

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 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 CIDB's Annual Accounts. The Council delegates the responsibility for designing, operating and monitoring the system of risk management to executive management and the Audit and Risk Committee.

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.

Principle 6: Reporting with Integrity

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 adequate Internal Control System so that control objectives are met.

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 International Public Sector Accounting Standards (IPSAS) and in compliance with the Statutory Bodies (Accounts and Audit) Act. The CIDB complies with the requirements of the Financial Management Manual. The controls maintained at the CIDB 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.

Environmental, Social and Health & Safety Issues

The Construction Industry has a major role to play in society. It is one of the largest employers in the economy. Moreover, it provides employment to the less qualified and less skilled persons, thus absorbing the mass of this category of person and hence preventing them to become a burden on society.



The CIDB by promoting the development of the Construction Industry, aims also at fulfilling a social responsibility. The construction industry is known to have a major impact on the environment. Though it provides the necessary infrastructure required to improve the quality of life of human beings, it also creates pollution and unbalance in the ecosystem. However, nowadays more focus is being made on sustainable development, thus compelling the Construction Industry to minimize damages to the environment.

The CIDB being the regulator of the Construction Industry participates with other relevant authorities to ensure that the impact of the Construction Industry on the environment is reduced to a minimum.

Health and Safety issues are of significant relevance in the Construction Industry. There are sufficient laws and regulations in Mauritius to ensure that Health and Safety issues in construction are well taken care of.

Donation and Contributions

During the Financial Year 2020/21 an amount of Rs 50,000 was incurred as donations with respect to the MV Wakashio incident. This was made following a request from Government to revenue generating institutions to participate in the fund-raising exercise as a gesture of goodwill and to show the solidarity towards those who have been affected by that incident which was a national concern. The donation was paid to the Prime Minister's Relief Fund.

The CIDB has not made any political donation for the year under review.

Principle 7: Audit

Internal Audit

Given the size of the organization an Internal Audit Unit is not deemed necessary at this stage.

External Audit

Section 36(3) of the CIDB Act provides that the Director of Audit shall be appointed under section 5(1) of the Statutory Bodies (Accounts and Audit) Act to audit the Financial Statements of CIDB.

In accordance with the Statutory Bodies (Accounts and Audit) Act, the Annual Report comprising of the Financial Statements should be prepared and submitted not later than 3 months after the end of every financial year. The Annual Report is then submitted to the Council for approval and within one month when same is approved, it is sent to the National Audit Office. The NAO then plan its audit accordingly.

The Auditor shall, within 6 months of the date of receipt of the Annual Report pursuant to subsection (2), submit the Annual Report and his Audit Report to the Council.

Principle 8: Relations with Shareholders and Other Key Stakeholders

The CIDB is established under the CIDB Act 2008 and as such does not have any shareholders. However, it operates under the aegis of the Ministry of National Infrastructure and Community Development and therefore has to communicate with its parent Ministry on all policy issues.

Communication with other stakeholders on the activities of the CIDB are also made through the Website and at workshops and seminars organized regularly.



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

Approved by the Council on 15 March 2022 and signed on its behalf by:



T. Cowaloosur
Chairperson



G. Bundhooa
Member

CIDB

CONSTRUCTION INDUSTRY DEVELOPMENT BOARD



Main Activities for 2020/2021

1. Registration of Providers of Construction Works and Construction Services

Since 2019, the CIDB has extended registration 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 of registrations granted during the Fiscal Year 2020/21 to Consultants, Contractors, Suppliers of Construction Materials, Plant and Equipment, Service Providers including CAD Operators, Technician in Construction and Third Party Certifier in Construction.

Contractors	Number
Local Contractor	1,491
Foreign Contractor (Provisional)	60
Joint Venture Contractor (Provisional)	63
Foreign Contractor (Temporary)	24
Joint Venture Contractor (Temporary)	6
Total	1,644
Consultants	
Local Consultant	204
Foreign Consultant (Provisional)	75
Foreign Consultant (Temporary)	6
Joint Venture Consultant (Provisional)	21
Joint Venture Consultant (Temporary)	0
Total	306
Others	
Suppliers of Construction Materials, Plant and Equipment	23
CAD Operators	62
Technician in Construction	1
Third Party Certifier in Construction	0
Total	86

2. Amendment to the CIDB Act

The First Schedule to the CIDB Act was amended through the Finance (Miscellaneous Provisions) Act 2020. The Grade Ceilings were reviewed 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 Grading became in force in August 2020. Since then registration of contractors is being done based on the new grading structure. The criteria for registration were also reviewed to suit those amendments.



The new Grade Ceilings are indicated in the Table below:

Grade	Value of Contract (exclusive VAT) (Rs)
A+	Up to any amount above 1,000 million
A	Up to 1,000 million
B	Up to 500 million
C	Up to 350 million
D	Up to 200 million
E	Up to 125 million
F	Up to 50 million
G	Up to 20 million
H	Up to 10 million

3. Indicative Schedule of Rates

The Indicative Schedule of Rates (ISOR) which was previously known as the National Schedule of Rates, is a benchmarking tool for construction rates in Mauritius. A new version of the ISOR has been published in the Financial Year 2020/21.

A list of common rates has been extracted from the ISOR and published on the Website of CIDB for consultation by the general public. This list of items is very useful for those embarking on the construction of their houses and such similar projects. It gives them an indication of the costs of the main materials that would be incurred for the construction and hence, help them in planning their projects more efficiently.

The list of common rates is also very useful for SME Contractors who can use those rates to price their works. This also helps to prevent the use of exaggerated rates in construction projects.

On the other hand, the complete ISOR Book, which is a very technical manual, is also available on the website of CIDB, but its use is restricted to those stakeholders who are registered with CIDB namely, Consultants, Contractors, Service Providers and Suppliers of Materials who are professionals and would know how to use such a manual properly. Those stakeholders are given access to the ISOR Book upon request and are given a Login and Password to access it.

The ISOR document has so far been widely used by professionals of the industry and is now also being used by those embarking on new construction projects. The rates are being monitored and updated at regular intervals.

4. E-Registration

In its endeavour to establish a database of information on the Construction Industry, CIDB had initiated the E-Registration Project in 2019 and was deemed to be completed by December 2020. The time for completion of the project had to be extended due to the COVID-19 pandemic in 2020 and again in 2021.

The E-Registration system would provide a platform that would enable for online application for registration and the electronic processing of the applications. It would also provide the facility to effect online payment of registration fees and digital certificates would be issued to applicants.

The E-Registration project will facilitate the registration process at both ends and would considerably reduce the time taken for this exercise. Applicants would be able to track the status of their application at any point of time. The project is now expected to be completed in the Financial Year 2021/22.

5. Publication of Register of Consultants, Contractors, Service Providers and Suppliers

One of the functions of the CIDB is to publish an annual list of registered operators of the Construction Industry.

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

In March 2021, the annual list of Registered Consultants, Contractors, Service Providers and Suppliers was published in the Government Gazette.

6. Workshops and Training

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.

However, during the Financial Year ended 30 June 2021, no such event was held because of the prevailing COVID-19 situation.

7. Implementation of a Quality Management System (ISO 9001:2015)

With the objective of continuously improving its services, CIDB has now embarked on the implementation of a Quality Management System. In this respect a Request for Proposal was launched in November 2020, for the provision of Consultancy Services for the implementation of ISO 9001:2015. Following the procurement exercise, the Contract for the Consultancy Services was awarded to QuEnSH Dynamics Ltd.

The Consultant has held several workshops, awareness sessions and trainings to underline the importance for the active participation of all the staff of the organisation for the successful implementation of the Quality Management System. The project has been progressing as initially planned and is expected to be completed by end of November 2021.

Once the project would be completed then an External Audit of the system would be carried out for the *ISO 9001:2015 Certification*.



8. Study on Aggregates and other Construction Materials

Aggregate is an indispensable material used in construction and used in large quantities, in millions of tons annually. Aggregates are probably the only construction material that are available in abundance in Mauritius. However, the increasing consumption is fast depleting the reserves.

In this context the CIDB has in November 2020 invited bids for the services of a Consultant to conduct a study on Aggregates and other construction materials. The aim is to determine whether the available local sources and the rate of production of aggregates in Mauritius are sufficient to meet current requirements and sustain the construction industry for the next decade. Besides aggregates, the scope of the study has also required the Consultant to identify current supplies and assess the ability to meet current and projected demand for construction materials viz. cement, reinforcement bars, concrete blocks, ready-mixed concrete and bitumen.

The contract for the study has been awarded to YK Engi Ltd, a local Consultant in May 2021 and the latter is required to submit its Report on the study by October 2021.

The study is in its phase of completion and is progressing as scheduled. The recommendations of the Consultant would be useful in the planning and strategy formulation for the management of local construction materials.

CIDB

CONSTRUCTION INDUSTRY DEVELOPMENT BOARD



REPORT OF THE DIRECTOR OF AUDIT

On the Financial Statements of the Construction Industry Development Board for the year ended 30 June 2021

CONSTRUCTION INDUSTRY DEVELOPMENT BOARD

———— NATIONAL AUDIT OFFICE ————





NATIONAL AUDIT OFFICE

REPORT OF THE DIRECTOR OF AUDIT TO THE COUNCIL 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 2021, and the statement of financial performance, statement of changes in net assets/equity, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, and notes to the financial statements, including a summary 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 2021, and of its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IPSASs 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 applicable, matters related to going concern and using the going concern basis of accounting unless management intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible 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 scepticism throughout the audit. I also:



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Responsibilities for Compliance

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

Auditor's Responsibilities

In addition to the responsibility to express an opinion on the financial statements described above, I am also responsible to report to the Council whether:

- (a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of the audit;
- (b) 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) 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.

Based on my examination of the records 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 could be ascertained from my examination of the relevant records.



C. ROMOOAH
Director of Audit

National Audit Office
Level 14,
Air Mauritius Centre
PORT LOUIS

1 April 2022

CIDB

CONSTRUCTION INDUSTRY DEVELOPMENT BOARD



Financial Statements

Financial Year Ended
30 June 2021



Statement of Financial Position as at 30 June 2021

	Notes	Year ended 30 June 2021 Rs	Year ended 30 June 2020 Rs Re-Styled
ASSETS			
Current Assets			
Cash and Cash Equivalents	3	12,902,667	8,687,560
Car Loan Receivable	4	383,428	220,333
Inventories	5	303,899	292,029
Prepayments & Receivables	6	1,552,744	1,393,422
		15,142,738	10,593,344
Non-Current Assets			
Property, Plant and Equipment	7	795,448	975,887
Car Loan Receivable	4	1,190,801	514,111
		1,986,249	1,489,998
TOTAL ASSETS		17,128,987	12,083,342
LIABILITIES			
Current Liabilities			
Accruals & Payables	8	2,767,133	4,746,316
Short Term Employee Benefits Obligations	9	186,133	100,000
Car Loan Payable	10	383,428	220,333
		3,336,694	5,066,649
Non-Current Liabilities			
Accruals & Payables	8	690,223	-
Car Loan Payable	10	1,190,801	514,111
Long Term Employee Benefits Obligations	11	2,320,509	1,628,766
Retirement Pension Obligation	2.16.4	1,444,535	951,773
		5,646,068	3,094,650
TOTAL LIABILITIES		8,982,762	8,161,299
Net Assets		8,146,225	3,922,043
NET ASSETS/EQUITY			
General Fund	12	8,036,641	3,922,043
Revaluation Reserve		109,584	-
		8,146,225	3,922,043

The Notes to the Accounts on pages 41 to 54 form part of the Financial Statements.
Approved by the Board on 15 March 2022 and signed on its behalf by:


T. Cowaloor
Chairperson


G. Bundhoo
Member

Statement of Financial Performance for the year ended 30 June 2021

	Notes	Year ended 30 June 2021 Rs	Year ended 30 June 2020 Rs
REVENUE			
<u>Non-Exchange Transaction</u>			
Government Grant	2.9.1	5,000,000	489,000
Processing Fee (<i>Local</i>)	2.9.2	501,000	401,500
Registration Fee	2.9.2	13,045,631	13,910,820
Processing Fee (<i>Foreign</i>)	2.9.2	443,000	221,000
Fee for Temporary Registration	2.9.2	4,785,724	5,920,936
Appeal Fee		150,000	100,000
Surcharges	2.9.3	85,908	113,484
Sale of National Schedule of Rates	2.9.4	-	3,000
		24,011,263	21,159,740
<u>Exchange Transaction</u>			
Interest on Short Term Investment		-	199,916
		-	199,916
Total Revenue		24,011,263	21,359,656
EXPENSES			
Depreciation	7	359,223	428,478
Employee Salaries and Benefits	13	11,803,022	10,576,464
Other Expenses	14	7,280,034	10,539,840
Finance Costs	15	11,769	8,982
Total Expenses		19,454,048	21,553,764
Surplus / (Deficit) for the Period		4,557,215	(194,108)



Statement of Changes in Net Assets/Equity for the year ended 30 June 2021

	General Fund	Revaluation Reserve
	Rs	Rs
Opening Balance - 01.07.2019	5,843,002	-
Surplus (Deficit) for the period	(194,108)	-
Remeasurement Gain / (Loss)	(1,726,851)	-
Closing Balance - 30.06.2020 (Re-stated)	3,922,043	-
Motor Vehicle Revalued		109,584
Surplus for the period	4,557,215	-
Remeasurement Gain (Loss) on Retirement Benefit Obligations	(442,617)	-
Closing Balance - 30.06.2021	8,036,641	109,584

CIDB

CONSTRUCTION INDUSTRY DEVELOPMENT BOARD



Cash Flow Statement for the year ended 30 June 2021

	Year ended 30 June 2021 Rs	Year ended 30 June 2020 Rs
Cash Flows from Operating Activities		
Receipts		
Government Grant	5,000,000	489,000
Processing Fee (<i>Local</i>)	501,000	401,500
Registration Fee	13,089,903	10,133,651
Processing Fee (<i>Foreign</i>)	443,000	221,000
Fee for Temporary Registration	3,544,771	6,108,889
Appeal Fee	150,000	100,000
Surcharges	85,908	113,484
Workshop Participation Fee	-	1,200
Sale of National Schedule of Rates	-	3,000
Interest on Short Term Investment	-	211,918
	22,814,582	17,783,642
Payments		
Employee Salaries and Benefits	11,010,962	11,184,679
Other Expenses	7,507,544	12,100,799
Finance Costs	11,769	8,982
	18,530,275	23,294,460
Net Cash Flows from Operation Activities	4,284,307	(5,510,818)
Cash Flows from Investing Activities		
Acquisition of Fixed Assets	(69,200)	(457,500)
Purchase of Government of Mauritius Treasury Certificates	-	-
Cashing of Government of Mauritius Treasury Certificates	-	10,000,000
Net Cash Flow from Investing Activities	(69,200)	9,542,500
Net Increase (Decrease) in Cash and Cash Equivalents	4,215,107	4,031,682
Cash and Cash Equivalents at beginning of the Period	8,687,560	4,655,878
Cash and Cash Equivalents at end of Period	12,902,667	8,687,560

Statement of Comparison of Budget and Actual Amounts for the year ended 30 June 2021

	Original Estimates Rs.	Total Provisions Rs.	Actual Amount Rs.	Difference Rs.	Note
Revenue					
Government Grant	5,000,000	-	5,000,000	-	
Other Income	19,200,000	-	17,809,402	1,390,598	
Total Revenue	24,200,000	-	22,809,402	1,390,598	
EXPENDITURE					
Employee Salaries & Benefits					
Salaries	8,234,000	8,234,000	7,285,308	948,692	
Compensations	371,000	371,000	285,674	85,326	
Travelling & Car Allowance	1,229,000	1,229,000	1,181,514	47,486	
Allowances & Overtime	310,000	310,000	306,833	3,167	
End of Year Bonus	708,000	708,000	623,379	84,621	
Sick Leave Payment	-	-	-	-	
Passage Benefits	438,000	438,000	14,900	423,100	
Staff Pension Scheme	747,000	747,000	713,769	33,231	
Family Protection Scheme	125,000	125,000	118,961	6,039	
National Savings Fund	138,000	138,000	109,188	28,812	
National Pension Fund & Levy	34,000	34,000	14,508	19,492	
Gratuity	205,000	205,000	203,520	1,480	
Annual Leave	72,000	72,000	50,880	21,120	
Staff Training	150,000	150,000	51,900	98,100	
Team Building & Welfare	150,000	150,000	-	150,000	
	12,946,000	12,946,000	10,971,233	1,974,767	1
Other Recurrent Cost					
Council & Committee Fees	2,700,000	2,700,000	890,530	1,809,470	2
Professional fees	661,000	661,000	401,550	259,450	3
Rent	2,820,000	2,820,000	2,811,884	8,116	
Utilities	790,000	790,000	441,221	348,779	4
Office Expenses, General Stores & Stationery	885,000	885,000	837,073	47,927	
Repairs & Maintenance	300,000	300,000	41,147	258,853	5
Workshops, Seminars & Mission	1,200,000	1,200,000	-	1,200,000	6
Public Relation & Communication	600,000	600,000	-	600,000	7
Motor Vehicle Running Expenses	127,000	127,000	63,285	63,715	
Press Notices, Printing & Publications	890,000	890,000	127,957	762,043	8
Cleaning Expenses	67,000	67,000	38,204	28,796	
Rebranding of CIDB	-	-	-	-	
	11,040,000	11,040,000	5,652,852	5,387,148	
Capital Expenditure					
E- Registration Project	7,400,000	7,400,000	-	7,400,000	9
IT Equipment	630,000	630,000	59,540	570,460	
Office Equipment	125,000	125,000	9,660	115,340	
Quality Management System	750,000	750,000	-	750,000	10
Upgrading of website	100,000	100,000	-	100,000	
NSOR Project	2,340,000	2,340,000	1,721,550	618,450	
	11,345,000	11,345,000	1,790,750	9,554,250	
Total Expenditure	35,331,000	35,331,000	18,414,835	16,916,165	



Notes to the Financial Statements for the Period ended 30 June 2021

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 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 National Infrastructure and Community Development. 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 accrual basis International Public Sector Accounting Standards (IPSAS) issued by International Federation of Accountants and in compliance with the Statutory Bodies (Accounts and Audit) Act and are in accordance with Section 19 (13A) (a) the Finance & Audit Act 1973 as subsequently amended.

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.

The Accounting Policies have been applied consistently throughout the period.

The Cash Flow Statement has been prepared using the Direct Method.

2.2 Basis of Budget Preparation

The Budget included in the Financial Statements is appropriated by Votes of Expenditure on a cash basis and it covers the financial period from 1 July 2020 to 30 June 2021. The Statement of Comparison of Budget and Actual amounts are prepared on the same basis as the Budget. The original Budget was approved by the Council of CIDB and then submitted to the Parent Ministry for its consideration.

2.2 Accounting Period

The Financial Statements for the current period have been prepared for the 12 months ended 30 June 2021, with comparative information for the 12 months ended 30 June 2020.

2.4 Comparative Figures

The Financial Statements for the Financial Year ended 30 June 2020 were 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. Since the Financial Statements for the Financial Year ended 30 June 2021 have been prepared



Notes to the Financial Statements for the Period ended 30 June 2021

in accordance with International Public Sector Accounting Standards (IPSAS), adjustments have been made to the comparative figures to reflect the adoption of accounting policies applicable under IPSAS.

2.5 Adoption of International Public Sector Accounting Standards

Following amendments made to the Statutory Bodies (Accounts and Audit) Act in the Finance (Miscellaneous Provisions) Act 2020, every statutory body specified in the First Schedule of the Statutory Bodies (Accounts and Audit) Act shall prepare financial statements in compliance with the International Public Sector Accounting Standards (IPSAS) issued by IFAC. The CIDB, which previously prepared its Financial Statements in accordance with the Financial Reporting Standards for Small Entities (FRSSE) issued by the Financial Reporting Council, adopts the accrual basis IPSAS on July 1, 2020. The Statement of Financial Position has been re-stated to reflect the changes in presentation as required by IPSAS. The CIDB has also chosen the Direct Method for its Cashflow Statement.

The re-stated comparative figures of the Statement of Financial Position of 1 July 2020 represent opening Statement of Financial Position at the date of adoption of accrual basis IPSAS.

The CIDB has adopted relevant new and revised International Public Sector Accounting Standards (IPSASs) that are relevant to its operations for accounting period 01 July 2020 to 30 June 2021, namely:

- IPSAS 1 - Presentation of Financial Statements
- IPSAS 2 - Cash Flow Statements
- IPSAS 3 - Accounting Policies, Changes in Accounting Estimates
- IPSAS 9 - Revenue from Exchange Transactions
- IPSAS 12 - Inventories
- IPSAS 17 - Property, Plant and Equipment
- IPSAS 19 - Provisions, Contingent Liabilities and Contingent Assets
- IPSAS 20 - Related Party Disclosures
- IPSAS 24 - Presentation of Budget Information in Financial Statements
- IPSAS 31 - Intangible Assets
- IPSAS 39 - Employee Benefits
- IPSAS 41 - Financial Instruments

The other International Public Sector Accounting Standards (IPSASs) were not adopted as they are considered not relevant to the operations of CIDB.

In the current period CIDB has adopted all of the improvements and amendments to the standards effective at the reporting date. IPSAS 3 (Accounting Policies, Changes in Accounting Estimates and Errors) requires disclosure of new IPSAS that have been issued but are not yet effective.

IPSAS 41 – Financial Instruments.- This standard was issued in August 2018 and will be effective for annual periods starting on or after 1 January 2022. The standard sets out requirements for classifying, recognising and measuring financial instruments including impairment, derecognition and general hedge accounting to replace those in IPSAS 29.

IPSAS 42 – Social Benefits.

This standard was issued in January 2019 and will be effective for annual periods starting on or after 1 January 2022. IPSAS 42 defines social benefits and includes requirements for the recognition and measurement of social benefits Schemes. It also includes disclosure requirements that will provide additional information that users may need to evaluate the effect of social benefits.



Notes to the Financial Statements for the Period ended 30 June 2021

2.6 Use of Estimates and Judgements

The preparation of financial statements, in conformity with IPSAS and generally accepted accounting practices requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. In the application of the CIDB's accounting policies, management are required to make judgements, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions, based on actual results may differ from these estimates. The estimates and underlying assumptions are historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the estimate affects only that period or in the period of revision and future periods if the revision affects both current and future periods. Estimates include but are not limited to fair valuation of inventories, accounts receivables, accrued charges, contingent assets and liabilities, and degree of impairment of property, plant and equipment.

2.7 Property, Plant and Equipment

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

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

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

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

2.8 Revaluation Reserve

Any increase arising on revaluation is credited to the Revaluation Reserve in Statement of Changes in Net Assets/Equity except to the extent that it reverses a revaluation decrease for the same asset previously recognized in Statement of Financial Performance.

2.9 Revenue Recognition

The CIDB's revenue are earned from non-exchange transactions and is recognised on an accrual basis. Revenue comprises Government Grants, Processing Fees and Registration Fees and other income such as Sale of National Schedule of Rates and Workshop Participation Fee.

2.9.1 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.



Notes to the Financial Statements for the Period ended 30 June 2021

2.9.2 *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 charged for each application as per the Schedule of Fees of the CIDB (Registration of Contractors and Consultants) Regulation 2014 as subsequently 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.

Certificates of Registration are valid until 30 June of every year. All certificates not collected by the end of the Financial Year are no more valid. Hence, the fees that were payable with respect to those Certificates of Registration are not treated as receivables.

For the current financial period Processing Fee (Local) and Processing Fee (Foreign) collected amounted to Rs. 501,000 and Rs. 443,000 respectively. Registration Fee and Fee for Temporary Registration relating to the current financial year amounted to Rs. 13,050,811 and Rs. 4,785,724 respectively.

2.9.3 *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.

2.9.4 *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.

2.10 *Provision*

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.

2.11 *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.



Notes to the Financial Statements for the Period ended 30 June 2021

2.12 Inventories

Inventories represents the stock of unused stationeries at the end of the financial year. It is valued at the lower of cost and current replacement cost. Once the stationeries are used up, it is expensed. The cost of inventories is stated using the Weighted Average Cost method. The cost of the inventories comprises the purchase price of stationeries.

2.13 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.

2.14 Financial Assets/Receivables

Receivables and Prepayments are stated at their nominal value.

2.15 Financial Liabilities/Payables

Payables and Accruals are stated at cost except for the Retirement Benefit Obligations figure which is stated as per the Actuarial Valuations Report.

2.16 Employees Entitlements

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

2.16.1 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.

2.16.2 Passage Benefits

A provision is made for the estimated liability for passage benefit. 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.

2.16.3 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.

2.16.4 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 using the Projected Unit Credit Method, with actuarial valuations being carried out at each reporting date. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The net liability at balance sheet date is determined as the present value of



Notes to the Financial Statements for the Period ended 30 June 2021

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 2021 was as follows:-

	Year ended 30 June 2021 Rs	Year ended 30 June 2020 Rs
Amounts recognised in Statement of Financial Position		
Present value of funded obligation	8,136,338	6,533,299
(Fair value of Plan Assets)	(6,691,803)	(5,581,526)
	1,444,535	951,773
Amounts recognised in Statement of Financial Performance		
Service Cost:		
Current service cost	533,552	452,380
(Employee Contributions)	(177,147)	(178,367)
Fund expenses	25,020	10,702
Net Interest expense/ (income)	23,014	(31,663)
P&L Charge	404,439	253,052
Remeasurement		
Liability (gain)/loss	635,355	1,960,204
Assets (gain)/loss	(192,738)	(233,353)
Net Assets/Equity (NAE)	442,617	1,726,851
Total	847,056	1,979,903



Notes to the Financial Statements for the Period ended 30 June 2021

Movements in liability recognised in Statement of Financial Position:

At start of year	951,773	(671,395)
Amount recognised in P&L	404,439	253,052
(Contributions paid by employer)	(354,294)	(356,735)
Amount recognised in NAE	442,617	1,726,851
At end of year	1,444,535	951,773

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 2021	Year ended 30 June 2020
Reconciliation of the present value of defined benefit obligation	Rs	Rs
Present value of obligation at start of period	6,533,299	4,163,237
Current service cost	533,552	452,380
Interest cost	248,265	158,203
(Benefits paid)	185,867	(200,725)
Liability (gain)/loss	635,355	1,960,204
Present value of obligation at end of period	8,136,338	6,533,299

	Year ended 30 June 2021	Year ended 30 June 2020
Reconciliation of fair value of plan assets	Rs	Rs
Fair value of plan assets at start of period	5,581,526	4,834,632
Expected return on plan assets	225,251	189,866
Employer contributions	354,294	356,735
Employee contributions	177,147	178,367
Benefits paid+ other outgo	160,847	(211,427)
Asset gain/(loss)	192,738	233,353
Fair value of plan assets at end of period	6,691,803	5,581,526

Distribution of plan assets at end of period

	June 2021	June 2020
Percentage of assets at end of year		
Government securities and cash	54.8%	61.7%
Loans	2.8%	3.0%
Local equities	11.8%	10.1%
Overseas bonds and equities	30.1%	24.6%
Property	0.5%	0.6%
Total	100.0%	100.0%

Additional disclosure on assets issued or used by the reporting entity

	June 2021	June 2020
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



Notes to the Financial Statements for the Period ended 30 June 2021

Components of the amount recognised in OCI

Year	June 2021	June 2020
Currency	Rs	Rs
Asset experience gain/(loss) during the period	192,738	233,353
Liability experience gain/(loss) during the period	(635,355)	(1,960,204)
Surplus/(deficit)	(442,617)	(1,726,851)

Expected Employer Contributions in 2021/2022 is Rs. 342,086

Weighted average duration of the defined benefit obligation is 21 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 2021	Year ended 30 June 2020
Discount Rate	5.00%	3.80%
Future salary increases	3.00%	2.40%
Future pension increases	2.00%	1.40%
Mortality before retirement	Nil	A 6770 Ultimate Tables
Mortality in retirement	PA (90) Tables - rated down by 2 years	PA (90) Tables
Retirement age	65 Years	

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.

2.17 Nature and Purpose of Reserves

The General Fund is established by Section 31 of the CIDB Act. The General Fund has during the year under review been

- (i) credited with all monies received by the Board including grant from the Government.
- (ii) charged with payments required to be effected by the Board, including remuneration, allowance, pension or other benefits, payable to any person under the CIDB Act.



Notes to the Financial Statements for the Period ended 30 June 2021

2.18 Foreign Currency Translation

Fee for Temporary Registration is calculated as a percentage of the contract value in accordance with the Schedule of Fees of the CIDB (Registration of Contractors & Consultants) Regulation 2014 as subsequently amended. 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.

2.19 Reporting Currency

The Financial Statements are presented in Mauritian Rupees

	Year ended 30 June 2021	Year ended 30 June 2020
	Rs	Rs
3. Cash and Cash Equivalents		
Cash in hand	4,282	2,439
Cashier's float	2,000	2,000
Cash at Bank - Current A/c	26,915	82,404
Cash at Bank - Savings	12,869,470	8,600,717
	12,902,667	8,687,560
4. Car Loan Receivable		
Total Car Loan Receivable	1,574,229	734,444
Receivable within 1 Year	383,428	220,333
Receivable after 1 Year	1,190,801	514,111
5. Inventories		
Unused Stationeries	303,899	292,029
6. Prepayments & Receivables		
Salaries	-	160
Compensation 2017	-	92
Compensation 2018	-	263
Compensation 2019	-	292
Compensation 2020	-	219
Travelling & Mileage	-	936
Allowances & Overtime	-	730
CSG Contribution	39,729	-
Telephone & Internet	1,298	1,298
Rent	234,324	234,324
Motor Vehicle Running Expenses	8,555	8,531
Office Expenses, General Stores and Stationeries	1,390	1,390
Insurance	3,239	2,862
YEP Trainee Allowance	121,884	-
E-Registration Project	1,142,325	1,142,325
	1,552,744	1,393,422



Notes to the Financial Statements for the Period ended 30 June 2021

7 Property, Plant and Equipment

Particulars	Office Equipment Rs	IT Equipment Rs	Motor Vehicle Rs	Total Rs
Cost - 1 July 2020	1,640,983	1,634,607	1,032,900	4,308,490
Additions during the year	9,660	59,540	-	69,200
Revaluation Reserve	-	-	(857,900)	(857,900)
Cost - 30 June 2021	1,650,643	1,694,147	175,000	3,519,790
Aggregate depreciation - 1 July 2020	1,260,667	1,104,452	967,484	3,332,603
Revaluation			(967,484)	(967,484)
Depreciation for the year	85,519	238,704	35,000	359,223
Aggregate depreciation - 30 June 2021	1,346,186	1,343,156	35,000	2,724,342
Net Book Value - 01 July 2020	380,316	530,155	65,416	975,887
Net Book Value - 30 June 2021	304,457	350,991	140,000	795,448

Note :

At the end of the previous Financial Year, the carrying value of the Motor Vehicle was Rs. 65,416 and at the start of the Financial Year 2020-21, it was decided to revalue the asset at Rs. 175,000 based on insured amount. As the result of the revaluation, a Revaluation Reserve amounting Rs. 109,584 was created and was accounted in the Statement of Changes in Equity. Depreciation for the year amounting to Rs. 35,000 was charged against the Surplus for the period.

8. Accruals & Payables

Current Liability

	Year ended 30 June 2021 Rs	Year ended 30 June 2020 Rs
Salaries	674	215
Allowance & Overtime	2,998	997
End of Year Bonus	310,393	304,901
Gratuity	157,240	157,240
Annual Leave	52,576	54,272
Professional Fees	-	100,000
Electricity	36,702	27,900
Telephone	2,505	6,987
Motor Vehicle Running Expenses	2,325	-
Registration Fee	218,704	219,581
Temporary Registration Fee	1,983,016	3,874,223
	2,767,133	4,746,316

Non Current Liability

Registration Fee	39,969	-
Temporary Registration Fee	650,254	-
	690,223	-
	3,457,356	4,746,316



Notes to the Financial Statements for the Period ended 30 June 2021

	Year ended 30 June 2021 Rs	Year ended 30 June 2020 Rs
9. Short Term Employee Benefits Obligations		
<i>Passage Benefits Obligation</i>		
Opening Balance	336,414	896,062
Entitlement for the period	273,258	257,104
	609,672	1,153,166
Disbursement during the period	(14,900)	(816,752)
	594,772	336,414
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	86,133	-
10. Car Loan Payable		
Total Car Loan Payable	1,574,229	734,444
Payable within 1 Year	383,428	220,333
Payable after 1 Year	1,190,801	514,111
11. Long Term Employee Benefits Obligations		
<i>Sick Leave Bank Account</i>		
Opening Balance	1,392,352	1,263,955
Increase in provision	433,385	128,397
Closing Balance	1,825,737	1,392,352
<i>Passage Benefits Obligation</i>		
Amount payable in more than one year (Note 10)	494,772	236,414
12. General Fund		
Opening Balance	3,922,043	5,843,002
Surplus for the year	4,557,215	(194,108)
Remeasurement Loss on Retirement Benefit Obligations	(442,617)	(1,726,851)
Closing Balance	8,036,641	3,922,043



Notes to the Financial Statements for the Period ended 30 June 2021

	Year ended 30 June 2021 Rs	Year ended 30 June 2020 Rs
13. Employee Salaries and Benefits		
Salaries	7,285,927	7,092,138
Compensation 2017	25,400	24,134
Compensation 2018	80,640	79,877
Compensation 2019	89,600	88,752
Compensation 2020	56,400	28,174
Compensation 2021	34,500	-
Travelling & Mileage Allowance	1,182,450	969,545
Allowances & Overtime	309,564	140,924
End of Year Bonus	628,871	606,092
Sick Leave Payment	86,133	78,155
Sick Leave Bank Balance	433,385	128,397
Passage Benefits	273,258	257,104
Uniforms Allowance & Protective Equipment	10,900	13,030
Defined Benefit Pension Fund	404,439	253,052
Defined Contribution Pension Fund	354,294	280,115
Family Protection Scheme	118,961	106,142
NSF Contribution	109,188	102,565
NPF & Levy Contribution	14,508	31,800
Staff Training	51,900	19,200
Team Building & Staff Welfare	-	39,270
Gratuity	203,520	204,078
Annual Leave	49,184	33,920
	11,803,022	10,576,464
14. Other Expenses		
Council and Sub-Committee Fees	890,530	1,136,912
Professional Fees	301,550	180,700
Rent	2,811,884	2,819,135
Electricity	332,444	278,562
Telephone	113,097	117,514
Motor Vehicle Running Expenses	65,586	65,162
Office Expenses, General Stores and Stationeries	825,203	517,498
Workshop, Conference & Mission	-	578,100
Press Notices, Printing and Publications	127,957	255,645
Repairs and Maintenance	41,147	115,495
Rebranding	-	24,750
Cleaning Expenses	38,204	32,575
Insurance	10,882	9,238
NSOR Project	1,721,550	4,408,554
	7,280,034	10,539,840
15. Finance Costs		
Bank Charges	11,769	8,982
	11,769	8,982

Notes to the Financial Statements for the Period ended 30 June 2021

	Year ended 30 June 2021 Rs	Year ended 30 June 2020 Rs
16. Reconciliation of Net Cash From Operating Activities to Net Surplus/(Deficit)		
Cash Flows from Operating Activities		
Operating Surplus (Deficit) for the period	4,557,215	(194,108)
Adjustments for Non-cash Movements		
Depreciation of Property, Plant and Equipment	359,223	428,478
Net Assets/Equity	(442,617)	(1,726,851)
Operating Surplus before Working Capital changes	4,473,821	(1,492,481)
Decrease (Increase) in Retirement Pension Assets	-	671,395
Decrease (Increase) in Inventories	(11,870)	(95,773)
Decrease (Increase) in Prepayments and Receivables	(159,322)	(1,114,705)
Decrease in Accruals & Payables	(1,288,960)	(3,917,134)
Increase (Decrease) in Employee Benefits Payable	777,876	(513,894)
Increase (Decrease) in Retirement Pension Obligation	492,762	951,773
Net Cash Flow from Operating Activities	4,284,307	(5,510,818)

17. Difference between Final Budget and Actual Amounts

Note

- 1 Filling of vacancies could not made in 2020-21.
- 2 No Ad-hoc Committee and Interview were held during the year.
- 3 No fund was utilised from provision made for Legal Fees as there was no claim at close of Financial Year.
- 4 Provision made for additional staff was not utilised.
- 5 No major repairs were required for fixed assets during the year.
- 6 It was not possible to organise Workshop & seminars due to the then prevailing Covid 19 sanitary conditions.
- 7 The recruitment of a consultant for the services of Public Relation & Communication did not materialised.
- 8 Printing of hard copies of NSOR was not done as it was decided to publish an electronic version on the website of CIDB.
- 9 No payment was effected for the E-Registration Project as it was still on-going.
- 10 The recruitment of a consultant for Quality Management System did not materialised.



Notes to the Financial Statements for the Period ended 30 June 2021

18. Reconciliation - IPSAS 33, First Time Adoption of Accrual Basis IPSAS

Net Asset/Equity

	Rs
Closing balance of Net Assets/Equity reported under previous basis of Accounting	3,922,043
Opening Balance of Net Assets/Equity at adoption of IPSAS	3,922,043

Surplus or Deficit

	Rs
Deficit reported under previous basis of Accounting	194,108
Deficit at adoption of IPSAS	194,108

19. Subsequent Event Review

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

20. 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. 5,000,000 was voted in the Budget 2020-2021 in favour of CIDB. During the financial year all the amount of Rs.5,000,000 was disbursed from the voted grant. 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 for the Financial Year.

21. 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 4,426,297 for the financial year ended 30 June 2021.

22. 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 National Infrastructure and Community Development 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 2020	666,667	67,777
New Car Loan	1,000,000	141,666
	1,666,667	209,443
Remittance to Ministry of National Infrastructure and Community Development	(271,428)	(30,452)
Closing Balance - 30 June 2021	1,395,239	178,991

