

**TRANSPARENCY MAURITIUS**

FINANCIAL STATEMENTS - YEAR ENDED

DECEMBER 31, 2018

TRANSPARENCY MAURITIUS

TABLE OF CONTENTS

---

	<b>Page</b>
ANNUAL REPORT	1 - 5
SECRETARY'S CERTIFICATE	6
AUDITORS' REPORT	7 - 9
STATEMENT OF FINANCIAL POSITION	10
STATEMENT OF PROFIT OR LOSS AND THE COMPREHENSIVE INCOME	11
STATEMENT OF CHANGES IN FUND	12
STATEMENT OF CASH FLOWS	13
NOTES TO THE FINANCIAL STATEMENTS	14 - 25

ANNUAL REPORT - DECEMBER 31, 2018

---

The Board of Directors have the pleasure to submit the annual report of Transparency Mauritius together with audited financial statements for the year ended December 31, 2018.

**Nature of Business**

Transparency Mauritius is registered as an independent, non-partisan body corporate and a non-government organisation in the country. It is also a CSR approved NGO reference N/1137.

Transparency Mauritius is an accredited National Chapter of Transparency International, a global civil society organisation leading the fight against corruption based in Berlin, Germany. Transparency International raises awareness of the damaging effects of corruption and works with partners in government, business and civil society to develop and implement effective measures to tackle corruption.

The accreditation is renewed every three years and in June 2018, Ms Delia Ferreira Rubio, Chair of Transparency International and Philippe Hardy, Chair of Transparency Mauritius, signed a new accreditation agreement

**Objects of Transparency Mauritius**

- To raise public awareness and advance the general education of the public in the promotion of integrity in business ethics in national and international business transactions;
- To promote, undertake or commission research for the benefit of the public, into aspects of containing corruption and influencing peddling in national and international business transactions;
- To combat corruption and influence peddling, and to give legislative and public bodies facilities for conferring with and ascertaining the views of persons and institutions engaged in combating corruption as regards matters directly or indirectly affecting that issue;
- To provide for meetings and publications of any type to combat corruption; including fundraising and/or the use of the media;
- To contribute to increase the accountability of decision makers and transparency at all level of the public and private sectors.

**The Vision of TM:**

*“Making Mauritius a country where people strongly believe in integrity, stand up and fight against all forms of corruption”*

*“Faire de Maurice un pays où les gens croient fermement en l'intégrité et lutter contre toutes les formes de corruption”*

*“Fair Maurice vinn enn pei kot tou dimoune vremen krwar dans l'intégrité, zot tou dibouter ek lager contre tou tyys corription”*

**Strategic “Fit” of TM**

*“To contribute in revealing the various facets of corruption and actively promote a culture of transparency, accountability and integrity in government, politics, business and civil society through inclusive participation.”*

### Principles and Values of TM

The principles and values of TM is intrinsically in line with 10 guiding principles of TI

Values (Perceptions)	Principles (Behaviours)
<b>Integrity</b>	Operate with honesty and trust that makes up our professionalism
<b>Customer-oriented</b>	Always digging for customer requirements and ensure rapid response to needs and expectations
<b>Ethical Responsibility</b>	Strive to go extra mile to complete what are required while respecting human values and established legislations
<b>Total Independency</b>	Deliver advocacy services with impartiality that can be verified and proven
<b>Commitment, Involvement, Engaged and empathy with passion</b>	No matter working like a burnt-out so long the results are great for the customers
<b>Evidence-based Fairness</b>	Undertake projects and provide assistance to customers with utmost fairness backed-up by adequate evidence.

### ACTIVITIES 2018

In 2018, Transparency Mauritius has initiated a few more projects while continuing the activities already engaged during the past years. TM has adopted a holistic strategy so as to engage with different actors at the same time. The rationale for this strategy was that the effects of corruption affect all strata of society indifferently and the causes as well as the effects are often interlinked; thus the importance of addressing them at root level. As such TM has come up with anti-corruption initiatives at all levels through community and focused on citizen empowerment. If the citizens of Mauritius, indifferent of their position, age or gender, among others, are not sensitised about what corruption is and how it affects them, the task of fighting that scourge would be more difficult. It is important that every citizen of Mauritius takes ownership of that fight and everyone becomes a soldier against corruption.

The targets of TM have included the public sector, the private sector and civil society and a special attention has been given to the Youth.

At the same time, TM has been fully engaged in anti-corruption initiatives of different stakeholders including the Independent Commission against Corruption (ICAC), the Mauritius Revenue Authority, the Mauritius Police Force, the Mauritius Institute of Directors and Business Mauritius among others.

As such, TM has actively participated to the works of the Public Private Platform against Corruption (including sub committees), the Private Sector Action Group against Corruption and the Mauritius Revenue Authority Integrity Advisory Council.

**ANNUAL REPORT - DECEMBER 31, 2018**

---

Furthermore, both the Chair (Ms Lovania Pertab as from August 2018) and the Executive Director (ED) have been invited as guest speakers in several official functions both in Mauritius and abroad.

TM has also engaged with other TI chapters (France, Ireland and Seychelles) for joint projects. Laurene Bounaud, the Executive Director of TI France and Stephanie Casey from TI Ireland visited TM and its stakeholders in June and September 2018 respectively. The ED and the Project & Research Officer attended a whistleblowing conference at Dublin, Ireland and brainstormed with their Irish counterparts on the subject.

The Chair & the ED had meetings with different stakeholders, including the Ag President of the Republic, the Speaker of the National Assembly, the Attorney General and Minister of Justice, the Commissioner of Police, the Director General of the ICAC, the Director General of the MRA, the Directors of the FIU and the IRSA as well as stakeholders from the private sector and civil society.

The ED also had meetings with the Ambassador of the EU in Mauritius, the French Ambassador and the High Commissioner of Australia.

The chapter had a good visibility in the media and thanks to the efforts of the team; TM was able to reverse the trend which was impacting a number of NGO's with respect to financial sustainability. It has diversified its sources of funding (detailed below) which derive from membership, training, CSR and international donors.

TM is registered as a Training Centre with the Mauritius Qualifications Authority and provides training in (1) Investigative Journalism and (2) Business Ethics, Policies and Whistleblowing.

**Projects of Transparency Mauritius in 2018 include**

- Talks and Presentations on Integrity, Ethics and Good Governance in NGOs , Public and private organisations, colleges and universities
- Presentation of the Corruption Perception Index for 2017
- Implementation of whistleblowing policies in organisations
- Sensitisation campaign in collaboration with ICAC
- Youth Forum (2017-2018)
- Collaborating with institutions with regards to Codes of Ethics and Codes of Conduct
- Training on Ethics at the Police Training School
- Providing training in Investigative Journalism and Ethics in journalism
- Partnering with the Media Trust to promote quality journalism through the Nicolas Lambert Awards
- Conference « Politique et gouvernance : les nouveaux facteurs de confiance dans la vie publique »
- Engaging with MACOSS to review the election process under the chairmanship of the Electoral Commissioner
- Kids United against Corruption at the NTA
- Publication of (i) Youth Forum Magazine (ii) Ethics Guide for the Police

ANNUAL REPORT - DECEMBER 31, 2018

---

**TM has been present in the local media:**

- 25 interviews or reports on different radio channels
- 14 articles and/or interviews in different newspapers
- 11 reports on national TV and online news channels

**Conferences attended as Guest Speakers**

- 8 February 2018: Conference of the Integrity Reporting Services Agency (IRSA) –Mr Bablee
- 10 September 2018: Integrity in a challenging Environment (MRA) – Mr Bablee
- 12 September 2018: Launch of the Position Paper on Guidelines for evaluating whistleblowing system by KPMG & MIOD – Mr Bablee
- 26 July 2018: Smart Citizen (local NGO) – Ms Pertab
- 19 September 2018: Smart Citizen (local NGO) –Mr Bablee
- 02 October 2018: Graduation Ceremony at the University of Mauritius – Mr Bablee
- 10 October 2018: ICAC Civil Society Forum – Mr Bablee
- November 2018: African Union Panelist (Gender & Corruption) – Ms Pertab

**Overseas Conference Attended & Missions**

- 20-22 June 2018 Africa Regional Meeting, Kinshasa, DRC- Mr Bablee
- 20-21 October 2018 Annual Membership Meeting, Copenhagen, Denmark - Mr Bablee & Ms Pertab
- 24 -30 Nov 2018 Workshop by the African Governance Architecture Secretariat of the African Union Commission in Gaborone, Botswana- Ms Pertab
- 25 Nov - 1 Dec 2018 Exchange Programme TI Ireland - Mr Bablee & Ms Kowal
- 04- 08 Dec 2018 Training Investigative Journalism at TI Seychelles - Mr Bablee

**Board of Directors**

- Ms. Lovania Pertab (Chairperson)
- Mr. Charles Philippe D.B Hardy
- Mr. Sivananda Vencatapillay
- Mr. Krishnasamy Ponnusamy
- Ms. Brinda Devi Dabysing
- Mr. Sunil Bissoonauth

**Company Secretary:**

SIMO Corporate Services Ltd

**Auditors:**

BDO & Co

**Corporate Members (Platinum):**

- Air Mauritius Ltd – MUR 100,000
- Alteo Group – MUR 100,000
- Currimjee Jeewanjee & Co Ltd – MUR 100,000
- State Bank of Mauritius Ltd – MUR 100,000
- Mauritius Commercial Bank Ltd – MUR 100,000

ANNUAL REPORT - DECEMBER 31, 2018

---

**Corporate Members (Gold):**

- Barclays Bank Mauritius Ltd – MUR 50,000
- Ciel Group – MUR 50,000
- Eclasia Group – MUR 50,000
- Evaco Group – MUR 50,000
- IBL Group – MUR 50,000
- Jade Group – MUR 50,000
- Jubilee Insurance Ltd - MUR 50,000
- Mauritius Oil Refineries Ltd – MUR 50,000
- One & Only Le Saint Geran Ltd – MUR 50,000
- Pwc Ltd – MUR 50,000
- Rehm Grinaker Construction Co Ltd – MUR 50,000
- The Mauritius Union Group – MUR 50,000

**Other fundings:**

- Toyota Mauritius Ltd - MUR 50,000
- Reinsurance Solutions Mauritius Ltd - MUR 50,000
- Radio Plus Ltd - MUR 49,271.50
- Terra Mauricia Ltd – MUR 100,000
- Mammouth Trading Co Ltd - MUR 451,000
- Meaders Feeds Ltd – MUR 75,000
- LGI Ltd – MUR 50,000
- LUX Hospitality Ltd – MUR 100,000
- TI Seychelles – MUR 76,860
- MACOSS – MUR 3,000
- NCSR – MUR 189,812  
– MUR 187,500 (advanced)
- TI Grant – MUR 161,983
- European Union – MUR 3,191,999.21 (advanced)
- Australian Embassy – MUR 1,084,455

**Partners:**

- Richard Rault Chambers
- Moollan & Moollan – Chartered Certified Accountants

SECRETARY'S CERTIFICATE - DECEMBER 31, 2018

---

We certify that, to the best of our knowledge and belief, the company has filed with the Registrar of Companies all such returns as are required of the company.



**SIMO Corporate Services Ltd**  
SECRETARY  
20, Palmerstone Street,  
Phoenix



Date: 28<sup>th</sup> June 2019



## TRANSPARENCY MAURITIUS

7

### INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Transparency Mauritius

#### Report on the audit of the Financial Statements

##### Opinion

We have audited the financial statements of Transparency Mauritius (the Company), on pages 10 to 25 which comprise the statement of financial position as at December 31, 2018, and the statement of profit or loss and other comprehensive income, statement of changes in fund and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements on pages 10 to 25 give a true and fair view of the financial position of the Company as at December 31, 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

##### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Mauritius, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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



## TRANSPARENCY MAURITIUS

8

### INDEPENDENT AUDITOR'S REPORT (Continued)

To the Shareholders of Transparency Mauritius

#### **Responsibilities of Directors and Those Charged with Governance for the Financial Statements**

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company'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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of directors' 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

**TRANSPARENCY MAURITIUS**

**INDEPENDENT AUDITOR'S REPORT (Continued)**

To the Shareholders of Transparency Mauritius

**Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

- 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.

We 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 we identify during our audit.

**Report on Other Legal and Regulatory Requirements**

*Companies Act 2001*

We have no relationship with, or interests in, the Company, other than in our capacity as auditors, and dealings in the ordinary course of business.

We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

**Other matter**

This report is made solely to the members of Transparency Mauritius (the "Company"), as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



BDO & Co  
Chartered Accountants

Port Louis,  
Mauritius.

**Per Georges Chung Ming Kan, F.C.C.A**  
Licensed by FRC

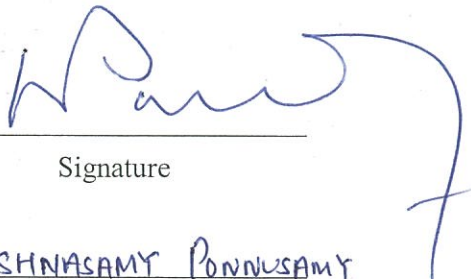
28 JUN 2019

STATEMENT OF FINANCIAL POSITION - DECEMBER 31, 2018

	<u>Notes</u>	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		<b>Rs.</b>	<b>Rs.</b>
<b>Non-current asset</b>			
Property Plant and equipment	5	-	4
<b>Current assets</b>			
Receivables	6	20,650	3,000
Prepayments		87,020	33,500
Cash and cash equivalents	15	3,867,483	361,797
		<u>3,975,153</u>	<u>398,297</u>
<b>Total assets</b>		Rs. <u>3,975,153</u>	<u>398,301</u>
<b>FUND AND LIABILITIES</b>			
Accumulated funds		<u>101,603</u>	<u>303,475</u>
<b>Current liabilities</b>			
Payables	7	47,000	94,826
Advances received for project contribution	8	3,826,550	-
		<u>3,873,550</u>	<u>94,826</u>
<b>Total fund and liabilities</b>		Rs. <u>3,975,153</u>	<u>398,301</u>

These financial statements were approved for issue by the Board of Directors on:

28 JUN 2019

  
 \_\_\_\_\_  
 Signature  
 KRISHNASAMY PONNUSAMY  
 \_\_\_\_\_  
 Name

  
 \_\_\_\_\_  
 Signature )  
 ) DIRECTORS  
 LOVANIA D-O PERTAB )  
 \_\_\_\_\_  
 Name

The notes on pages 14 to 25 form an integral part of these financial statements.  
 Auditor's report on pages 7 to 9.

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME -  
YEAR ENDED DECEMBER 31, 2018**

	<u>Notes</u>	<u>2018</u>	<u>2017</u>
		Rs.	Rs.
<b>Revenue</b>			
Membership fees	9	1,125,000	1,178,000
Whistleblowing services		552,000	336,000
CSR		149,272	367,950
Project contributions	10	989,199	271,407
		<u>2,815,471</u>	<u>2,153,357</u>
Project costs	11	(1,168,330)	(120,558)
Administrative expenses	12	<u>(2,152,873)</u>	<u>(2,190,604)</u>
<b>Net operating deficit</b>	13	(505,732)	(157,805)
Other income		<u>303,860</u>	<u>387,750</u>
<b>Net (deficit)/surplus for the year</b>		(201,872)	229,945
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>	Rs.	<u><u>(201,872)</u></u>	<u><u>229,945</u></u>

The notes on pages 14 to 25 form an integral part of these financial statements.

Auditor's report on pages 7 to 9.

## STATEMENT OF CHANGES IN FUND - YEAR ENDED DECEMBER 31, 2018

	Accumulated Fund Rs.
Balance at January 1, 2018	<u>303,475</u>
Net deficit for the year	(201,872)
Other comprehensive income	<u>-</u>
Total comprehensive loss for the year	<u>(201,872)</u>
<b>Balance at December 31, 2018</b>	<b>Rs. <u><u>101,603</u></u></b>
Balance at January 1, 2017	<u>73,530</u>
Net surplus for the year	229,945
Other comprehensive income	<u>-</u>
Total comprehensive income for the year	<u>229,945</u>
<b>Balance at December 31, 2017</b>	<b>Rs. <u><u>303,475</u></u></b>

The notes on pages 14 to 25 form an integral part of these financial statements.  
Auditor's report on pages 7 to 9.

## STATEMENT OF CASH FLOWS - YEAR ENDED DECEMBER 31, 2018

	<u>Note</u>	<u>2018</u>	<u>2017</u>
		Rs.	Rs.
<b>Cash flows from operating activities</b>			
Net surplus for the year		(201,872)	229,945
Adjustments for:			
Depreciation on plant and equipment		4	3,089
		(201,868)	233,034
Changes in working capital:			
Receivables		(71,170)	(1,000)
Payables		3,778,724	(220,679)
Cash generated from operations		3,505,686	11,355
<b>Net cash generated from operating activities</b>		<u>3,505,686</u>	<u>11,355</u>
<b>Net increase in cash and cash equivalents</b>		<u>3,505,686</u>	<u>11,355</u>
<b>Movement in cash and cash equivalents</b>			
At January 1,		361,797	350,442
Increase		3,505,686	11,355
<b>At December 31,</b>	15	Rs. <u>3,867,483</u>	<u>361,797</u>

The notes on pages 14 to 25 form an integral part of these financial statements.

Auditor's report on pages 7 to 9.

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2018

---

**1. GENERAL INFORMATION**

Transparency Mauritius was incorporated in October 1988 as a public company limited by guarantee.

The Company is affiliated to Transparency International, a global civil society organisation leading the fight against corruption, based in Berlin, Germany. Transparency Mauritius is one of the national chapters of Transparency International that falls under the Regional Department of African and the Middle East.

Transparency Mauritius is an independent, non-political, non-partisan, non-governmental and non-profit-making organisation. Its registered office is at 6th Floor, TN Tower, 13, Saint Georges Street, Port Louis.

These financial statements will be submitted for consideration and approval at the forthcoming Annual Meeting of Shareholders of the Company.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of these financial statements are set out below:

**2.1 Basis of preparation**

The financial statements of Transparency Mauritius comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS).

These financial statements are that of an individual entity. The financial statements are presented in Mauritian Rupees.

The financial statements are prepared under the historical cost convention except that relevant financial assets and liabilities are stated at fair value, or carried at amortised cost as appropriate.

***Standards, Amendments to published Standards and Interpretations effective in the reporting period***

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of IFRS 9 Financial Instruments from January 1, 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. The new accounting policies are set out in note 2.3. The Company has elected to apply the exemption in IFRS 9 paragraph 7.2.15 not to restate prior periods in the year of initial application of the standard. The Company has chosen to adopt the simplified expected credit loss model for trade receivables in accordance with IFRS 9 paragraph 5.5.15.



NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2018

---

**2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****2.1 Basis of preparation (cont'd)***Standards, Amendments to published Standards and Interpretations effective in the reporting period (cont'd)*

IFRS 15 Revenue from Contracts with Customers is based on the principle that revenue is recognised when control of a good or service transfers to a customer. The Company has adopted IFRS 15 Revenue from Contracts with Customers from January 1, 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. The new accounting policies are set out in note 2.7. In accordance with the transition provisions in IFRS 15, the Company has not restated comparatives for the 2017 financial year.

*Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2)*

The amendments clarify the measurement basis for cash-settled share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. The amendment has no impact on the Company's financial statements.

*Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4)*

The amendment provides two different solutions for insurance companies: a temporary exemption from IFRS 9 for entities that meet specific requirements (applied at the reporting entity level), and the 'overlay approach'. Both approaches are optional. The amendment has no impact on the Company's financial statements.

*Annual Improvements to IFRSs 2014-2016 Cycle*

- IFRS 1 - deleted short-term exemptions covering transition provisions of IFRS 7, IAS 19 and IFRS 10 which are no longer relevant.
- IAS 28 - clarifies that the election by venture capital organisations, mutual funds, unit trusts and similar entities to measure investments in associates or joint ventures at fair value through profit or loss should be made separately for each associate or joint venture at initial recognition. The amendment has no impact on the Company's financial statements.

IFRIC 22 Foreign Currency Transactions and Advance Consideration. The interpretation clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts. The amendment has no impact on the Company's financial statements.

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2018

---

**2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****2.1 Basis of preparation (cont'd)***Standards, Amendments to published Standards and Interpretations effective in the reporting period (cont'd)*

Transfers of Investment Property (Amendments to IAS 40). The amendments clarify that transfers to, or from, investment property can only be made if there has been a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property. A change in intention alone is not sufficient to support a transfer. The amendment has no impact on the Company's financial statements.

*Standards, Amendments to published Standards and Interpretations issued but not yet effective*

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after January 1, 2019 or later periods, but which the Company has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

IFRS 16 Leases

IFRS 17 Insurance Contracts

IFRIC 23 Uncertainty over Income Tax Treatments

Prepayment Features with negative compensation (Amendments to IFRS 9)

Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)

Annual Improvements to IFRSs 2015-2017 Cycle

Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)

Definition of a Business (Amendments to IFRS 3)

Definition of Material (Amendments to IAS 1 and IAS 8)

Where relevant, the Company is still evaluating the effect of these Standards, Amendments to published Standards and Interpretations issued but not yet effective, on the presentation of its financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.2 Property, Plant and equipment

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on the straight line method to write off the cost of assets to their residual values over their estimated useful life as follows:

Furniture and fittings	20%
Office equipment	20 - 25%
Computer equipment	33 1/3%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively, if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in profit or loss. On disposal or revalued assets, the amounts included in revaluation surplus are transferred to retained earnings.

### 2.3 Financial assets

The Company classifies its financial assets into one of the categories discussed below, depending on the purpose of which the asset was acquired. Other than financial assets in a qualifying relationship, the Company's accounting policy for each category is as follows:

#### (i) Amortised cost

These assets arise principally from the provision of services to customers (e.g trade receivables), but also incorporate other types of financial assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The Company's financial assets measured at amortised cost comprise receivables and cash and cash equivalents in the statement of financial position.

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

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2018

---

**2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****2.4 Provisions**

Provisions are recognised when: the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material)

**2.5 Payables**

Payables are stated at fair value and subsequently measured at amortised cost using the effective interest method.

**2.6 Foreign currencies****(a) Functional and presentation currency**

Items included in the financial statements are measured using Mauritian rupees, the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Mauritian rupees, which is the Company's functional and presentation currency.

**(b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss within 'other (losses)/gains- net'.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2018

---

**2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****2.6 Foreign currencies (cont'd)****(b) Transactions and balances (cont'd)**

Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities held at fair value through profit or loss, as reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

**2.7 Revenue recognition****(a) Other revenues earned by the Company are recognised on the following bases:**

CSR and Project Contributions comprise of funds (cash or in kind) received from companies and other organisations. Membership consist of initial and annual subscriptions, and are accounted on an accrual basis. Whistleblowing services consist of service fee also accounted on an accrual basis.

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2018

---

**3. FINANCIAL RISK FACTORS****3.1 Financial Risk Factors**

The Company's activities expose it to a variety of financial risks: market risk (including currency risk) credit risk, interest rate risk and liquidity risk.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

A description of the significant risk factors is given below together with the risk management policies applicable.

**(a) Market risk****(i) Currency risk**

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

**(ii) Credit risk**

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions as well as credit exposures to customers, including outstanding receivables.

The Company's credit risk is primarily attributable to its receivables. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Company's management based on prior experience and the current economic environment.

The Company has policies in place to ensure contributions and membership fees are received from companies and organisations with an appropriate credit history. The Company has policies that limit the amount of credit exposure to any one financial position.

**(iii) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivery of cash or another financial asset.

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. The Company aims at maintaining flexibility in funding by keeping committed credit lines available.

## NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2018

## 3. FINANCIAL RISK FACTORS (CONT'D)

## 3.1 Financial Risk Factors (cont'd)

(iii) Liquidity risk (cont'd)

The table below analyses the Company's financial liabilities and net-settled financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting date to the contractual maturity date.

	<i>Less than 1 year</i>	<i>Between 1 and 2 years</i>	<i>Between 2 and 5 years</i>	<i>Over 5 years</i>
	Rs.	Rs.	Rs.	Rs.
<b>At December 31, 2018</b>				
Payables	<u>3,873,550</u>	-	-	-
<b>At December 31, 2017</b>				
Payables	<u>94,826</u>	-	-	-

## 3.2 Fair value estimation

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cashflows at the current market interest rate that is available to the Company for similar financial instruments.

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2018

---

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Critical accounting estimates and assumptions**

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no significant assumptions made concerning the future or other sources of estimation uncertainty that have been identified as giving rise to a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year.

**(a) Asset lives and residual values**

Plant and equipment are depreciated over its useful life taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

**(b) Depreciation policies**

Plant and equipment are depreciated to their residual values over their estimated useful lives. The residual value of an asset is the estimated net amount that the Company would currently obtain from disposal of the asset, if the asset were already of the age and in condition expected at the end of its useful life.

The directors therefore make estimates based on historical experience and use best judgement to assess the useful lives of assets and to forecast the expected residual values of the assets at the end of their expected useful lives.

**(c) Impairment of assets**

Property, plant and equipment are considered for impairment, if there is a reason to believe that impairment may be necessary. Factors taken into consideration in reaching such a decision include the economic viability of the asset itself where there is a component of a larger economic unit, the viability of that unit itself.



## NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2018

## 5. PROPERTY PLANT AND EQUIPMENT

	Furniture and Fittings	Office equipment	Computer equipment	Total
	Rs.	Rs.	Rs.	Rs.
(a) <b>COST</b>				
At January 1, 2018 & December 31, 2018	86,891	102,267	57,031	246,189
<b>DEPRECIATION</b>				
At January 1, 2018	86,890	102,265	57,030	246,185
Charge for the year	1	2	1	4
At December 31, 2018	86,891	102,267	57,031	246,189
<b>NET BOOK VALUES</b>				
At December 31, 2018	Rs. -	-	-	-

	Furniture and Fittings	Office equipment	Computer equipment	Total
	Rs.	Rs.	Rs.	Rs.
(b) <b>COST</b>				
At January 1, 2017 & December 31, 2017	86,891	102,267	57,031	246,189
<b>DEPRECIATION</b>				
At January 1, 2017	84,029	102,265	56,802	243,096
Charge for the year	2,861	-	228	3,089
At December 31, 2017	86,890	102,265	57,030	246,185
<b>NET BOOK VALUES</b>				
At December 31, 2017	Rs. 1	2	1	4

Depreciation charge of Rs. 4 (2017, Rs.3,098) has been charged in administrative expenses.

## 6. RECEIVABLES

	2018	2017
	Rs.	Rs.
Membership fees receivable	5,000	3,000
Other receivables	15,650	-
	Rs. 20,650	3,000

- The carrying amounts of other receivables approximate their fair values.
- The carrying amounts of the Company's receivables are denominated in Mauritian rupee.
- Receivables do not contain impaired assets.
- The Company does not hold any collateral as security

## NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2018

7. PAYABLES	2018	2017
	Rs.	Rs.
Accrued expenses	-	45,826
Loan from Director	46,000	48,000
Membership fees in advance	1,000	1,000
Rs.	<u>47,000</u>	<u>94,826</u>

The carrying amounts of payables approximate their fair value and are denominated in Mauritian rupees.

8. ADVANCES RECEIVED FOR PROJECT CONTRIBUTION	2018	2017
	Rs.	Rs.
Advances received for project contribution	Rs. 3,826,550	-

Advances received for project contribution relate to deposits received for projects not yet completed as at reporting date.

9. MEMBERSHIP FEES	2018	2017
	Rs.	Rs.
Active Members	25,000	27,000
Corporate Members	1,100,000	1,151,000
Rs.	<u>1,125,000</u>	<u>1,178,000</u>

10. PROJECT CONTRIBUTIONS	2018	2017
	Rs.	Rs.
Project contribution- Rotarian Beau-Bassin Rose-Hill	-	6,000
Project contribution- French Embassy	-	75,594
Project contribution- Australian Embassy	637,404	-
Project contribution- TI Grant	161,983	-
Project contribution- NCSR Foundation	189,812	189,813
Rs.	<u>989,199</u>	<u>271,407</u>

11. PROJECT COST	2018	2017
	Rs.	Rs.
Project Canada	-	22,808
TI Grant project	204,191	-
Australian project	637,404	-
French Project	75,767	-
NCSR Project	250,968	97,750
Rs.	<u>1,168,330</u>	<u>120,558</u>

## NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2018

12. ADMINISTRATIVE EXPENSES	2018	2017
	Rs.	Rs.
Salary and related costs	1,390,880	1,388,107
Licences	13,500	13,600
Electricity, Water and Telephone	72,503	81,065
Printing and Postage	4,593	22,821
Rent and Rates	416,701	399,999
Professional fees	40,020	50,350
Insurance Expenses	175,548	182,723
Repairs and Maintenance	3,005	7,643
Depreciation	4	3,089
General expenses	18,145	20,451
Overseas Travelling	8,017	15,000
Fees Written off	4,000	1,000
Bank charges	5,958	4,756
	<u>2,152,873</u>	<u>2,190,604</u>
13. NET OPERATING DEFICIT	2018	2017
	Rs.	Rs.
Net operating deficit is arrived at after: Charging:		
Depreciation on plant and equipment	4	3,089
Employee benefit expense (Note 13)	1,390,880	1,388,107
	<u>1,390,880</u>	<u>1,388,107</u>
14. EMPLOYEE BENEFIT EXPENSE	2018	2017
	Rs.	Rs.
Wages and salaries	1,307,894	1,299,879
Social security costs	82,986	88,228
	<u>Rs. 1,390,880</u>	<u>1,388,107</u>
15. CASH AND CASH EQUIVALENTS	2018	2017
	Rs.	Rs.
Cash at bank	3,862,982	356,747
Cash in hand	4,501	5,050
	<u>Rs. 3,867,483</u>	<u>361,797</u>
16. TAXATION		

The income, property and funds of the company, wheresoever derived, is being applied solely towards the promotion of the objects of the company as set forth in its Memorandum of Association; and no portion thereof is payable or transferred directly or indirectly, by way of dividend, bonus or otherwise howsoever to the members of the company; and as such the company is not liable to taxation.