TRANSPARENCY MAURITIUS

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2022

TRANSPARENCY MAURITIUS

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CERTIFICATE FROM THE SECRETARY UNDER SECTION 166 (d) OF THE MAURITIUS COMPANIES ACT 2001.

We certify to the best of our knowledge and belief that the Company has filed with the Registrar of Companies all such returns as are required of **TRANSPARENCY MAURITIUS** under Section 166 (d) of the Mauritius Companies Act 2001 during the financial year ended 31 December 2022.

SIMO Corporate Services Ltd
Corporate Secretary

Registered Office:
8, Malartic Avenue
Quatre Bornes
Mauritius

SIMO CORPORATE SERVICES LTD The Common Seal of

Date : 30 May 2023

TGS Clark & Robbins
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF TRANSPARENCY MAURITIUS

Report on the audit of the Financial Statements

Opinion

We have audited the financial statements of **Transparency Mauritius** (the ''Company'') set out on pages 11 to 28 which comprise the statement of financial position as at 31 December 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity 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 give a true and fair view of the financial position of the Company at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the Mauritius 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 International Ethics Standards Board for Accountants (IESBA Code) Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements in Mauritius, 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other Information

The directors are responsible for the other information. The other information comprises the Annual Report and the Certificate from the Secretary. The other information 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.

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF TRANSPARENCY MAURITIUS

Report on the audit of the Financial Statements (continued)

Responsibilities of Directors and those charged with Governance for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs and in compliance with the requirements of the Mauritius Companies Act 2001, and for such internal control as the directors determine 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, 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 intends to liquidate the Company or to cease operations, or has 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 the director.

TGS Clark

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF TRANSPARENCY MAURITIUS

Report on the audit of the Financial Statements (continued)

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

- Conclude on the appropriateness of the 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.

- 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 the directors 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.

Other Matter

This report is made solely to the Company's members, as a body, in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters that 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.

Report on Other Legal and Regulatory Requirements

Mauritius 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 that 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.

TGS Clark & Robbins

TGS Clark & Robbins
Chartered Accountants

Date: 30 MAY 2023

Vinoba Gunnoo FCCA
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TRANSPARENCY MAURITIUS

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Notes		2022	2021
			Rs	Rs
ASSETS				
Non-current asset				
Plant and equipment	5		**25,651**	65,025
Current assets				
Receivables	6		**5,000**	8,000
Prepayments	6		**33,500**	33,500
Cash and cash equivalents	14		**4,267,994**	3,799,240
			4,306,494	3,840,740
Total assets		Rs	**4,332,145**	3,905,765
FUND AND LIABILITIES				
Accumulated fund			**4,294,184**	3,877,449
Current liabilities				
Payables	7		**37,961**	28,316
Total fund and liabilities		Rs	**4,332,145**	3,905,765

These financial statements have been approved for issue by the Board of Directors on 30 May 2023

Director
Ms. Lovania Pertab

Director
Ms. Brinda Dabysing

The notes on pages 15 to 28 form an integral part of these financial statements.

TRANSPARENCY MAURITIUS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022	2021
		Rs.	Rs.
Revenue			
Membership fees	8	**762,000**	766,800
Whistleblowing services		**550,000**	635,000
CSR & donations		**18,657**	75,000
Project contributions	9	**4,154,833**	3,033,320
Paid whistleblowing courses		**283,600**	-
		5,769,090	4,510,120
Project costs	10	**(3,886,495)**	(2,142,483)
Administrative expenses	11	**(1,465,860)**	(1,566,939)
Net operating surplus	12	**416,735**	800,698
Other income		**-**	9,375
Net surplus for the year		**416,735**	810,073
Other comprehensive income		**-**	-
Total comprehensive income for the year		**416,735**	810,073

The notes on pages 15 to 28 form an integral part of these financial statements.

TRANSPARENCY MAURITIUS

STATEMENT OF CHANGES IN EQUITY- YEAR ENDED 31 DECEMBER 2022

		Accumulated Fund
		Rs
Balance at 01 January 2022		3,877,449
Net surplus for the year		416,735
Other comprehensive income		-
Total comprehensive income for the year		416,735
Balance at 31 December 2022	**Rs.**	**4,294,184**
Balance at 01 January 2021		3,067,376
Net surplus for the year		810,073
Other comprehensive income		-
Total comprehensive income for the year		810,073
Balance at 31 December 2021	**Rs.**	**3,877,449**

The notes on pages 15 to 28 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS- YEAR ENDED 31 DECEMBER 2022

	Notes	2022	2021
		Rs.	Rs
Cash flows from operating activities			
Net surplus for the year		**416,735**	810,073
Adjustment for:			
Depreciation on plant and equipment	5	**39,374**	74,603
		456,109	884,676
Changes in working capital:			
- Receivables		**3,000**	2,228
- Payables		**9,645**	(1,980)
Cash generated from operations		**468,754**	884,924
Cash flows from investing activities			
Purchase of plant and equipment	5	-	(73,254)
Advances received for project contribution		-	(2,237,826)
Net cash used in investing activities		-	(2,311,080)
Net change in cash and cash equivalents		**468,754**	(1,426,156)
Movement in cash and cash equivalents			
At 01 January,		**3,799,240**	5,225,396
Movement		**468,754**	(1,426,156)
At 31 December,	14	**4,267,994**	3,799,240

The notes on pages 15 to 28 form an integral part of these financial statements.

1. GENERAL INFORMATION

Transparency Mauritius was incorporated in October 1998 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-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. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of Transparency Mauritius comply with the Mauritius Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS), in so far as the operations of the Company are concerned. The financial statements are that of an individual entity. The financial statements are presented in Mauritian Rupees and all values rounded to the nearest rupees (Rs.), except when otherwise indicated. Where necessary, comparative amounts have been reclassified to conform to the current year's presentation. The financial statements have been prepared under the historical cost convention, except that held-to-maturity securities and relevant financial assets and financial liabilities are carried at amortised cost.

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

IFRS 16 Leases results on the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. The Company has adopted for IFRS 16 from 01 January 2019. The reclassifications and adjustments arising from the new leasing rules are recognised in the opening balance sheet on 01 January 2019. The new Standard has no impact on the financial statements.

On adoption of IFRS 16, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under IAS 17. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 01 January 2019. The new Standard has no impact on the financial statements.

For leases previously classified as finance leases the entity recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of IFRS 16 are only applied after that date. The new Standard has no impact on the financial statements.

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)

IFRIC 23 Uncertainty over Income Tax Treatments explains how to recognise, and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. There are no new disclosure requirements but requirement to provide information about judgements and estimates made in preparing the financial statements. The interpretation has no impact on the Company's financial statements.

Prepayment Features with negative compensation (Amendments to IFRS 9) enable entities to measure certain prepayable financial assets with negative compensation at amortised cost. These assets, which include some loan and debt securities, would otherwise have to be measured at fair value through profit or loss. To qualify for amortised cost measurement, the negative compensation must be 'reasonable compensation for early termination of the contract' and the asset must be held within a 'held to collect' business model. The amendments have no impact on the Company's financial statements.

Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28) clarify the accounting for long term interests in an associate or joint venture, which in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. Entities must account for such interests under IFRS 9 before applying the loss allocation and impairment requirements in IAS 28. The amendments have no impact on the Company's financial statements.

Annual Improvement to IFRSs 2015-2017 Cycle

- IFRS 3 – clarified the obtaining control of a business that is a joint operation is a business combination achieved in stages.
- IFRS 11 – clarified that party obtaining joint control of a business that is a joint operation should not remeasure its previously held interest in the joint operation.
- IAS 12– clarified the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.
- IAS 23 – clarified that, if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

The amendments have no impact on the Company's financial statements.

Plan Amendment, Curtailment or Settlement (Amendments to IAS 19) clarifies that entities must:

- calculate the current service cost and net interest for the remainder of the reporting period after a plan amendment, curtailment, or settlement by using the updated assumptions from the date of the change.
- Recognise any reduction in a surplus immediately in profit or loss, either as part of past service cost or as a gain or loss settlement. In other words, a reduction in a surplus must be recognised in profit or loss even if that surplus was not previously recognised because of the impact of the.

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)

Plan Amendment, Curtailment or Settlement (Amendments to IAS 19) clarify that entities must: (cont'd)

- Separately recognise any changes in the asset ceiling through other comprehensive income.

The amendments have 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 the Company's accounting periods beginning on or after 01 January 2022, 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 Associates or Joint Venture (Amendments to IFRS 10 and IAS 28)
IFRS 17 Insurance Contracts
Definition of Accounting Estimates (Amendments to IAS 8)
Definition of Business Combinations (Amendments to IFRS 3)
Definition of Material (Amendments to IAS 1 and IAS 8)
Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)
Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

Annual Improvements to IFRS Standards 2018-2020

Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
Onerous Contracts-Cost of Fulfilling a Contract (Amendments to IAS 37)
Reference to the Conceptual Framework (Amendments to IFRS 17
Extension of the Temporary Exemption from Applying IFRS 19 (Amendments to IFRS 4)

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 the 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 higher degree of judgement or complexity, or areas where the assumptions and estimates are significant to the financial statements are disclosed.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and any cumulative impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amounts or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be reliably measured.

Depreciation is calculated on the straight-line method to write off the cost of each asset less their residual value over their economic useful life as follows:

	Annual rate
	%
Furniture & fittings	20
Office equipment	20-25
Computer equipment	25

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at 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 disposal of plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating surplus. On disposal of revalued assets, amounts in revaluation and other reserves relating to that asset 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:

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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as result of past event, 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.

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, it carrying amount is the present value of those cash flows (where 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 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be compiled with. When the grant related to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant related to an asset, it is recognised as income in equal amount over the expected useful life of the related asset. When the Company receives grants for non-monetary assets, the asset and the grants are recorded at nominal amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments.

Grant in respect of wages obtained under the wage assistance scheme is accounted for in the statement of financial position in the period to which the wage relates. A repayment of the grant (Covid-19 Levy) is contingent on the chargeable income of the entity over the current and next years and is recognised in profit or loss, when the profit arises. The grant is shown as net of the Covid-19 Levy.

2.7 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.

2.7 Foreign currencies (Cont'd)

(b) Transactions and balances (cont'd)

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 that 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.

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.

2.8 Revenue recognition

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. Memberships consist of initial and annual subscriptions and are accounted on an accrual basis. Whistle blowing services consist of service fee also accounted on an accrual basis.

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 the 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.

3. FINANCIAL RISK FACTORS (CONT'D)

3.1 Financial Risk Factors (Cont'd)

(a) Market risk

(i) Currency risk

The Company has international transactions 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.

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:

	Less than 1 year	*Between 1 ınd 2 years*	*Between 2 and 5 years*	*Over 5 years*
	Rs.	Rs.	Rs.	Rs.
At 31 December 2022 Payables	**37,961**	**-**	**-**	**-**
At 31 December 2021 Payables	28,316	-	-	-

3. FINANCIAL RISK FACTORS (CONT'D)

3.1 Financial Risk Factors (Cont'd)

(b) 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 purposed is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

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 adjustments 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

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 as 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.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

(a) Going concern

The financial statements are prepared on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. The validity of the assumption depends on the continued financial support of the shareholders of the Company. The directors are of the opinion that this support will be forthcoming over the next twelve months. They therefore believe that it is appropriate for the financial statements to be prepared on the going concern basis.

5. PLANT AND EQUIPMENT

		Furniture & fittings	Office equipment	Computer equipment	Total
		Rs	Rs	Rs	Rs
(a) COST					
At 01 January 2022		121,931	138,792	153,785	414,508
Additions		-	-	-	-
At 31 December 2022		**121,931**	**138,792**	**153,785**	**414,508**
DEPRECIATION					
At 01 January 2022		121,003	138,792	89,688	349,483
Charge for the year		928	-	38,446	39,374
At 31 December 2022		**121,931**	**138,792**	**128,134**	**388,857**
NET BOOK VALUES					
At 31 December 2022	Rs	**-**	**-**	**25,651**	**25,651**

		Furniture & fittings	Office equipment	Computer equipment	Total
		Rs	Rs	Rs	Rs
(b) COST					
At 01 January 2021		121,931	138,792	80,531	341,254
Additions		-	-	73,254	73,254
At 31 December 2021		**121,931**	**138,792**	**153,785**	**414,508**
DEPRECIATION					
At 1 January 2021		96,617	111,440	66,823	274,880
Charge for the year		24,386	27,352	22,865	74,603
At 31 December 2021		**121,003**	**138,792**	**89,688**	**349,483**
NET BOOK VALUES					
At 31 December 2021	Rs	**928**	**-**	**64,097**	**65,025**

Depreciation charge of **Rs. 39,374** (2021: Rs. 74,603) has been charged in administrative expenses.

6. RECEIVABLES & PREPAYMENTS

		2022	2021
		Rs	Rs
Membership fees receivables		5,000	8,000
Prepayments		33,500	33,500
	Rs	38,500	41,500

- 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.

7. PAYABLES

		2022	2021
		Rs	Rs
Accrued expenses	Rs	37,961	28,316

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

8. MEMBERSHIP FEES

		2022	2021
		Rs	Rs
Individual members		12,000	16,800
Corporate members:			
Platinum members		200,000	200,000
Gold members		550,000	550,000
	Rs	762,000	766,800

9. PROJECT CONTRIBUTIONS

		2022	2021
		Rs.	Rs
US Embassy Project		-	244,232
Project contribution- REAP project		834,700	-
Project contribution- European Union		3,442,203	2,237,826
Project- CFLI		(122,070)	551,262
	Rs	4,154,833	3,033,320

10. PROJECT COSTS

		2022	2021
		Rs.	Rs.
EU Project		**3,039,787**	1,655,165
CFLI Project		**201,614**	212,825
US Project		-	260,080
REAP Project		**502,015**	-
VAT paid by Transparency Mauritius		**143,079**	14,413
	Rs	**3,886,495**	2,142,483

Part of the recurring expenses have been borne by ongoing projects as shown below:

Details of projects costs

	EU Project	CFLI PROJECT	REAP PROJECT	VAT	Total
	Rs	Rs	Rs	Rs	Rs
Salaries	1,278,819	41,750	274,053	-	1,594,622
Electricity, water & telephone	87,366	-	-	-	87,366
Printing and postage	42,214	-	-	-	42,214
Rent, rates & syndic	270,228	-	-	-	270,228
Study Kantar (sextorsion)	-	134,550	-	-	134,550
Advocacy campaigns	1,360,410	-	27,962	-	1,388,372
Transport costs	750	5,764	-	-	6,514
Study Straconsult (IFF)	-	-	200,000	-	200,000
Workshop	-	19,550	-	-	19,550
VAT paid by Transparency Mauritius	-	-	-	143,079	143,079
Rs	3,039,787	201,614	502,015	143,079	3,886,495

NOTES EU Project:

The EU is providing for 70% of the salaries income for three staff who are working on the project and the remaining 30% is being borne by Transparency Mauritius. Training Officers' salaries are fully paid by the EU.

The rent and associate cost (syndic) are being paid by EU (70%) and Transparency Mauritius (30%).

11. ADMINISTRATIVE EXPENSES

		2022	2021
		Rs.	Rs.
Salaries and related costs		785,881	889,748
Licenses		19,730	13,700
Printing and postages		3,094	3,325
Rent and rates		204,322	182,346
Professional fees		92,306	77,170
Insurance expenses		179,882	215,465
Depreciation		39,374	74,603
General expenses		47,097	46,949
Office/computer expenses		23,450	14,970
Staff welfare		9,220	2,744
Bank charges		8,239	7,655
Car mileage		-	1,764
Parking		22,000	24,000
Courses		5,000	12,500
Transport expenses		7,400	-
Telephone expenses		2,070	-
Per Diem		5,000	-
Advertising and promotions		11,795	-
	Rs.	1,465,860	1,566,939

12. NET OPERATING SURPLUS

		2022	2021
		Rs.	Rs.
Net operating surplus is arrived at after charging:			
Depreciation on plant and equipment		39,374	74,603
Employee benefit expenses (Note 13)	Rs.	785,881	889,748

13. EMPLOYEE BENEFIT EXPENSES

		2022	2021
		Rs.	Rs.
Wages and salaries		497,272	643,735
Social security costs		288,609	246,013
	Rs.	785,881	889,748

Wages and salaries include payments to staff employed for EU Project.

14. CASH AND CASH EQUIVALENTS

		2022	2021
		Rs.	Rs.
Cash at bank		4,264,195	3,796,982
Cash in hand		3,799	2,258
	Rs.	4,267,994	3,799,240

15. TAXATION

The income, property, and funds of the Company, wheresoever derived, is being 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.

16. CAPITAL COMMITMENT

There were no capital commitments at the end of the reporting date.