



Wastewater Management Authority

ANNUAL REPORT 2017-18

PROTECTING OUR WATERS  
FOR FUTURE GENERATIONS





# VISION

- To equip Mauritius with state-of-the-art sewerage system so as to preserve public health and to ensure a sustainable and clean environment for maintaining the island's reputation as a dream destination
- To protect our water bodies and the environment for future generations

# MISSION

- To protect water and the marine environment of Mauritius
- To provide an excellent quality of wastewater services for residential and business customers
- To achieve financial sustainability
- To forge a reliable partnership with all stakeholders sensitive to the cause of the environment

# CORE VALUES

- Caring for our environment, our water resources and our people
- Enhancing knowledge and innovation through organisational learning
- Creating a conducive work environment and motivating our human capital
- Providing excellent customer service
- Exercising probity, honesty and diligence in carrying out our activities

# A SUSTAINABLE PLAYER TO WASTEWATER CHALLENGES

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# STRATEGIC PLAN

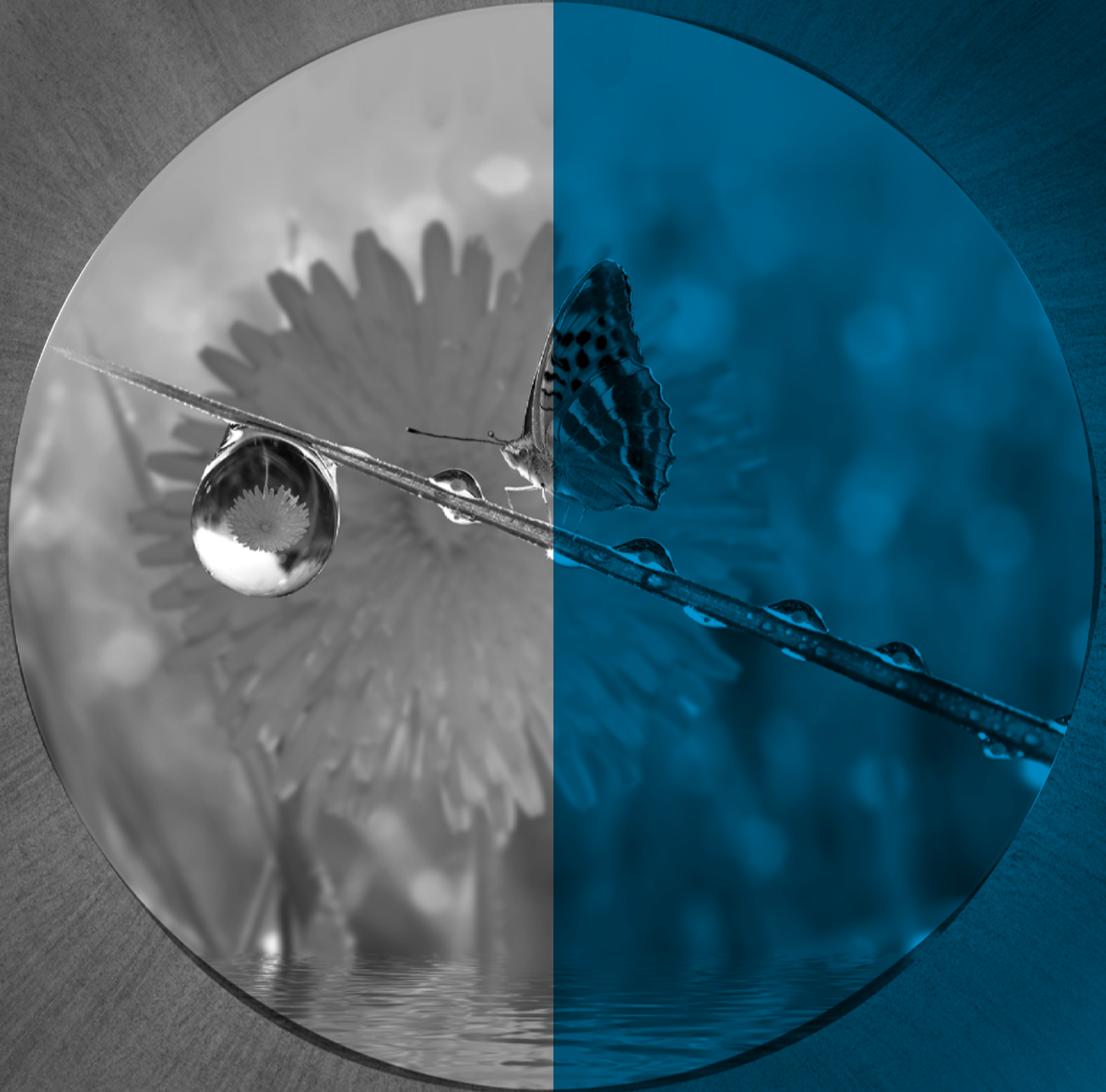
## STRATEGIC DIRECTION

- Implementation of projects in critical areas where the existing disposal system is creating inconvenience and represents health hazards to inhabitants
- Ensure reliability of infrastructure
- "Zero Overflow" policy through adequate operation and maintenance and preventive actions
- Improved sanitation and limit health risks of the population

## KEY ACTIONS FOR 2018/2019

- Implementation of the Pailles Guibies Phase II Sewerage Project and the Grand Baie Phase IB Sewerage Project, thereby connecting around 7,000 new households
- Implementation of the Framework Agreement (House Connections and Operations & Maintenance Works)
- Procurement of Specialised Vehicles and Equipment for Operation and Maintenance of Public Sewers, Wastewater Treatment Plants and Pumping Stations
- Construction of new building to house the Head Office of WMA at Curepipe
- Implementation of an Enterprise Resource Planning System to combine all the major business requirements of the Authority together into a single integrated software program

*Turning wastewater into resources. It's in our nature.*





## OFFICER-IN-CHARGE STATEMENT

“All Employees have been working towards a common vision to change the work culture for more efficient, enhanced work methods.”

## WMA - Engaged in a Paradigm Shift

It is my pleasure to pen down a few words for the 2017/2018 Annual Report. At the outset I would like to underline that the WMA Board, the Management Team and all Employees have been working towards a common vision to change the work culture for more efficient, enhanced work methods. More accountability remained high on the Agenda.

WMA could not afford to stay in the status quo amidst a turbulent environment and the growing expectations of our key stakeholders.

The period under review witnessed a paradigm shift with respect to procedures and policies. New protocols were developed for adopting a consistent approach to better Management of human resources and improved customer service.

For the year 2017/2018, the revenue of the Authority reached MUR 471.93m while the expenses amounted to MUR 387.42m, thus bringing an operational surplus of MUR 84.5m excluding provision for interest on loan and impairment of depreciation and debts. The judicious use of WMA financial resources enabled the Authority to spend 30.79m towards its own Capital expenditure.

On behalf of Government, the Authority invested MUR 453 Million during the 2017/2018 period and seven (7) wastewater projects have been completed thus moving forward with the vision of expanding further the public sewer network.

**Mr. Navindranath Jowaheer**  
Officer-In-Charge



# CORPORATE GOVERNANCE REPORT

The Board is at the centre of the corporate governance process. It oversees the policies, management and performance of the Authority. It sets the strategic direction and ensures the achievement of the business and regulatory commitments. We have a strong corporate governance framework that underpins our strategic objectives and commitment to stakeholders and the community. The Board's Corporate Governance plays a key role in setting the corporate governance culture of the Authority, which includes:

- Setting the strategic direction.
- Establishing performance targets.
- Monitoring the achievement of those targets.
- Reviewing internal control systems, corporate governance frameworks and compliance.

The Board is comprised of nine members, including the Chairman and all members of the Board were and are able to allocate the necessary time to the Authority and its areas of business to discharge their responsibilities effectively.

The role of the Chairman is to lead the Board in its shared responsibilities, to encourage and facilitate the contributions of its members and to ensure adherence to the governance principles and processes of the Board. He discusses and agrees on agendas for Board meetings with the General Manager and Secretary to the Board, although any director may sponsor an item to be included on the agenda. He further has the authority to act and speak for the Board between its meetings, including engaging with the General Manager. He reports to the Board for its covering approval on urgent decisions and actions, such as those in the public interest, taken between meetings of the Board. He is also continuing to increase open and constructive contact between all members of the Board, in both formal and informal meetings.

The Board delegates responsibility to the General Manager for implementing the strategic direction and managing day-to-day operations.

The Board holds at least one meeting monthly. The agenda and papers are sent to Board members in advance of each meeting. Directors have access to the advice and services of the Secretary to the Board. Where a Director has a concern over any unresolved matter, he/she is entitled to require the Secretary to the Board to record that concern in the minutes of a meeting.

The Board has established subcommittees with specific responsibilities. They assist by monitoring and reviewing performance and issues in the areas within their respective scopes and by advising and making recommendations to the Board. The subcommittees of the Board are constituted as follows:

• **Finance and Project Monitoring Committee**

- Mrs M. J. N Dantier - Chairperson
- Mr D. Jinerdeb - Member
- Mr L. Juggoo - Member
- Mr H. Urdhin - Member

• **Staff Committee**

- Mr H. Gopaul, OSK - Chairman
- Dr C. Bokhoree - Member
- Dr E.H Gregoire - Member
- Mrs N. Dantier - Member

• **Audit and Risk Committee**

- Dr E.H. Gregoire - Chairperson
- Dr C. Bokhoree - Member
- Mr H. Gopaul, OSK - Member
- Mrs N. Dantier - Member

• **Corporate Governance Committee**

- Mr H. Gopaul, OSK - Chairman
- Mr D. Jinerdeb - Member
- Mr D. Dassaye - Member

*(i) Finance and Project Monitoring Committee (FPMC)*

The FPMC comprises Directors having technical/financial backgrounds and is responsible for examining financial and technical matters and submits its discussions and recommendations to the Board for consideration.

*(ii) Staff Committee*

The Staff Committee examines Human Resource matters, among others, with a view to ensuring that the Authority has adequate and suitable human resources for achieving its corporate objectives. The discussions at the level of this Committee together with its recommendations are submitted regularly to the Board for consideration.

*(iii) Audit and Risk Committee (ARC)*

While the Board is ultimately accountable for ensuring risks are managed effectively across the Authority and for maintaining robust systems of risk management and internal control, the ARC is responsible for the robust assessment of the principal risks facing the Organisation, monitoring its risk management and internal control systems. The Chairman of the ARC reports to the Board those matters reviewed and discussed by the Committee at its previous meeting.

Key responsibilities include: - ensuring the Board receives appropriate assurance that the systems of risk management and internal control are operating effectively, and that all significant failings and weaknesses and principal risks have suitable management activities in place to rectify and/or remain within defined risk appetite - endorsing an internal audit plan that is informed by principal risk exposures, including overseeing targeted reviews of key risk and control areas , maintaining an assurance landscape that has integrity, independence and reliability.

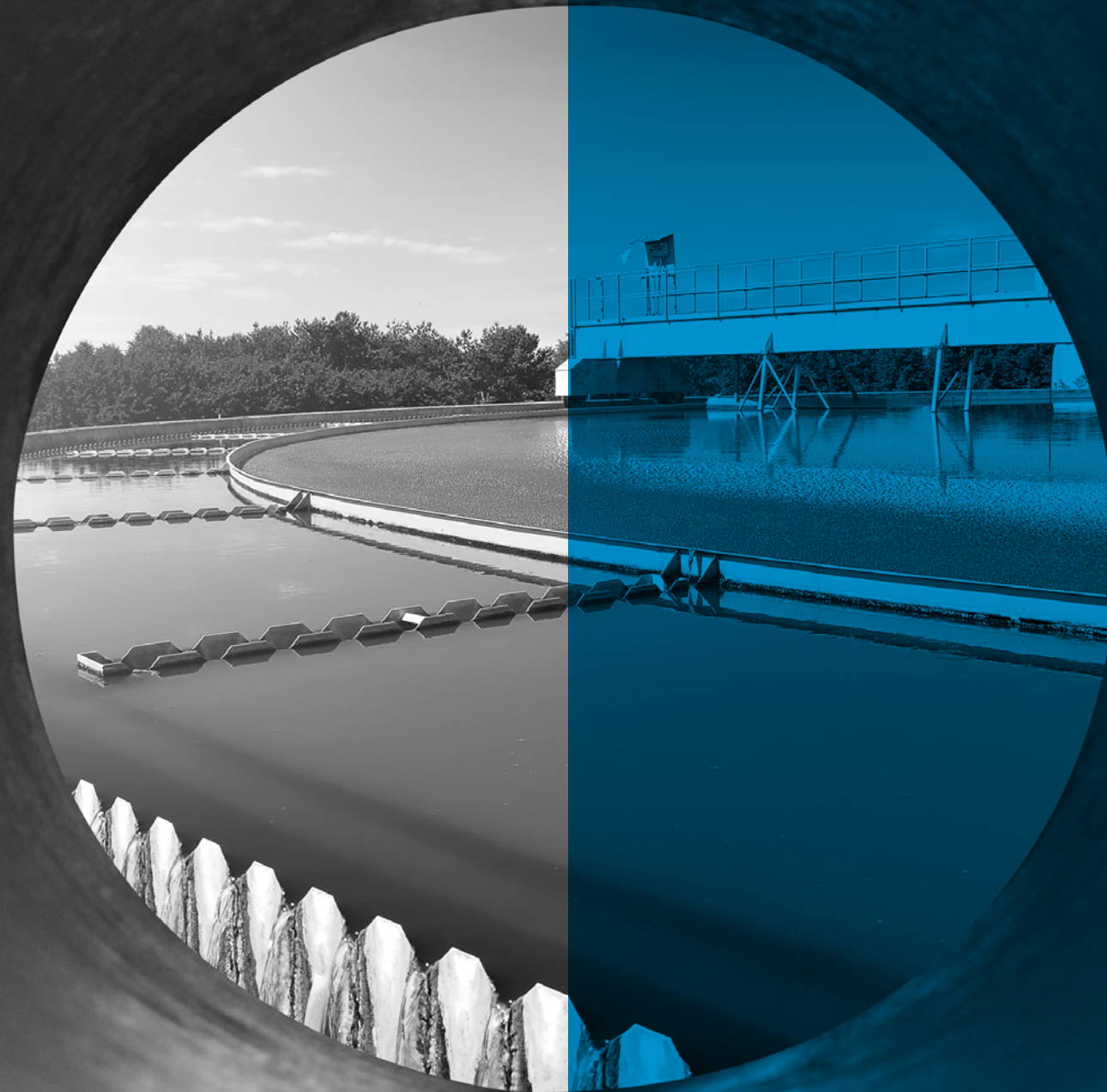
*(iv) Corporate Governance Committee*

The Corporate Governance Committee, among others:

- Ensures that the reporting requirements on Corporate Governance, on an ongoing basis, are in accordance with the principles of the Code of Corporate Governance.
- Determines, agrees and develops the Authority's general policy on corporate governance in accordance with the Code of Corporate Governance.
- Monitors the ethical conduct of the Authority, its executives and senior officials.
- Reviews any statements on ethical standards or requirements for the Authority and assisting in developing such standards and requirements.
- Identifies any violations of ethical conduct, environmental and social issues.



*Sustainable development  
& growth perspective.*



## BOARD MEMBERS ATTENDANCE AND REMUNERATION

Board Members	Board and Committees Attendance for the Period 01 July 2017 to 30 June 2018					Remuneration for period July 2017 to June 2018 comprising fees for attendance at Board, Subcommittees and also other committees/meetings such as Selection Panel, Committee of Inquiry
	Board Meetings (Including Special Board meetings)	SC*	FPMC*	ARC*	CGC*	
Mr S. Hansrod Chairman	16/16	9/13				1,080,000.00
Mr D. Jinerdeb	16/16		13/13		13/13	264,000.00
Mr H. Urdhin	11/16		11/13			150,000.00
Mr L. Juggoo	14/16		12/13			176,000.00
Mr D. Dassaye	16/16				13/13	208,500.00
Dr C. Bokhoree	15/16	13/13		12/12		260,000.00
Mrs M.J. N Dantier	15/16	13/13	13/13	12/12		294,000.00
Dr E. H Gregoire	16/16	11/13		12/12		260,000.00
Mr H. Gopaul, OSK	13/16			12/12	13/13	378,500.00

**SC:** Staff Committee

**FPMC:** Finance and Project Monitoring Committee

**AC:** Audit and Risk Committee

**CGC:** Corporate Governance Committee



# PROFILE OF BOARD MEMBERS

## Mr. Sulaiman HANSROD Chairman

Mr Sulaiman Hansrod is a Chartered Civil Engineer and has more than thirty years' experience in the field of Civil/Structural Engineering. He has worked internationally in the Middle-East, Africa and the Indian Ocean. With his wide experience, he has managed major projects from inception to completion.

As Chairman of the Wastewater Management Authority since April 2015, he is putting in place a concept of work culture and recognition for performance. There are challenging tasks ahead and it should be put in the perspective of the Global Vision of Central Government.

## Mr Dutt JINERDEB Board Member

Mr Dutt Jinerdeb is the representative of the Ministry of Energy and Public Utilities. He is the Deputy Permanent Secretary at the said Ministry and is holder of a BSc (Hons) in Management with specialization in Public Administration, as well as an MSc in Public Sector Management. Having served for 39 years at the level of various Ministries, he has extensive experience in the Public Sector.

## Mr Hemnish Ram URDHIN Board Member

Mr Hemnish Ram Urdhin is the representative of the Ministry of Finance and Economic Development (MOFED). He is currently occupying the post of Analyst/Senior Analyst at the MOFED with focus on the Energy and Public Utilities Sector. Mr Urdhin holds a Masters Degree with Merit in Banking and Finance, and a BSc (Hons) in Banking and International Finance (First Class Honours) from the University of Technology, Mauritius. He is also serving as Board Member at the Mauritius Renewable Energy Agency.

## Mr Lomush JUGGOO Board Member

Mr Lomush Juggoo is the representative of the Ministry responsible for Water Resources Unit and is the Director at the latter Unit. He holds a Degree in Civil Engineering, a Post Graduate Diploma in Environmental Management and a Masters in Business Administration with Project Management. He has more than 20 years of experience in the Water Sector.

## Mr Doonunjoy DASSAYE Board Member

Mr Doonunjoy Dassaye is a Deputy Permanent Secretary at the Ministry of Health and Quality of Life (MOH&QL). Holder of an MBA in Marketing, University of Mauritius and a B. Tech in Civil Engineering, IIT Kanpur, India, he reckons a long experience in the utilities, energy and health sector. Mr Dassaye has previously served as Board member on various parastatal bodies such as the State Trading Corporation, Central Electricity Board, National Women Council amongst others and has served as Secretary on the Maurice Ile Durable Fund. As representative of the MOH&QL, he also serves as Board member on National Children Council.

## Dr Chandradeo BOKHOREE Board Member

Dr Chandradeo Bokhoree is an Associate Professor at the University of Technology, Mauritius (UTM). Holder of a PhD in Systems Modelling from Loughborough University, UK and a Bachelor of Science Degree with First Class Honours from the University of Mauritius, he reckons over 15 years of experience in the tertiary education sector. Prior to joining the UTM, he has been a Research Scholar at the New Jersey Institute of Technology, USA and a University Teacher at Loughborough University, UK. During his tenure at the UTM he has served the University in different key managerial posts on several occasions and contributed as a member in different committees including the Board of Governors. He has worked on several projects in collaboration with a wide range of stakeholders, both private and governmental institutions (Ministry of Local Government & Outer Islands, Mauritius Research Council, Indian Ocean Commission, UNDP, UNIDO, Shell Mauritius Ltd, etc) and is well grounded on consultancy projects geared towards sustainable waste management in Mauritius.

## Mrs Marie Jocelyne Noelle DANTIER Board Member

Mrs Marie Jocelyne Noelle Dantier is a member of the Financial Cadre at the Mauritius Cane Industry Authority. She holds a BSc in Business Studies and reckons more than 24 years of rich experience in financial and administration matters in the Parastatal sector.

## Dr Edwin Hugues GREGOIRE Board Member

Dr Edwin Laval Hugues Gregoire is a registered Mental Nurse (1977) and General Nurse (1975). He holds a PhD in Community Mental Health Care and Therapeutic Intervention and an Msc in Health (Promotion, Research and Policy Change). He is also the President of Consumers' Eye Association, a registered organisation under the Registrar of Associations Act 1978.

## Mr Hemrazlall GOPAUL OSK Board Member

Mr Gupta Hemrazlall Gopaul is the Business Development Manager – Customs Brokerage Services, at Velogic Ltd in the Rogers Group. He reckons 40 years of experience in logistic services, and holds a Customs House Broker License. He is the actual President of APT – Professional Association of Freight Forwarders of Mauritius, as well as the Director of Mauritius Cargo Community Services Ltd (MACCS), and is engaged in social and cultural activities. Mr. Gopaul was elevated to the Rank of Officer of the Order of the Star and Key of the Indian Ocean (OSK) by the President of Mauritius on the occasion of National Day Celebrations in 2015.

## Mr. Dharanand THACOR Secretary to the Board

Mr Dharanand THACOR is the Secretary to the Board. He holds a Master of Business Administration with specialization in Human Resources and Knowledge Management and BSc in Public Administration and Management. He also reckons more than 25 years' experience in administration in the Public and Parastatal sector.

## Statement of Director's Responsibility for the Financial Statements

The Authority's Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS) and in compliance with the requirements of prevailing statutes.

## Responsibilities of the Board of Directors

The fundamental statutory responsibilities of the Board of Directors are to lay down the overall policies regulating the various business/activities of the Authority; it oversees the WMA's strategic direction and its organisational structure. The Board discharges the above responsibilities either directly or through Board Committees for more in-depth analysis and review of various issues while retaining its responsibility for all policy matters. The Chairperson of each Committee periodically places reports of its proceedings before the Board for approval/information, as may be relevant. The Board promotes openness, integrity and accountability to improve corporate behaviour, strengthens control systems over business and reviews management performance on a regular basis. In addition, the Board is committed to ensure as far as reasonably possible, and in accordance with legislation in force, the safety and health of its staff. To fulfill their responsibilities, Board Directors have unhindered access to accurate, relevant and timely information.

## Internal Control

Directors' responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of financial statements that are free from material misstatement; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Such systems should ensure that transactions are authorised and recorded and that any material irregularities are detected and rectified within a reasonable time-frame. The Authority has an established Internal Audit function which assists the Board and Management in effectively discharging its responsibilities. Internal Audit is an independent function that reports directly to the Audit and Risk Committee. Business controls are reviewed on an on-going basis by Internal Audit using a cycle-based risk approach.

Signed on behalf of the WMA Board of Directors:

Signature:.....

Mr Sulaiman HANSROD  
Chairman, WMA Board

Signature:.....

Dr Edwin Hugues GREGOIRE  
Member, WMA Board



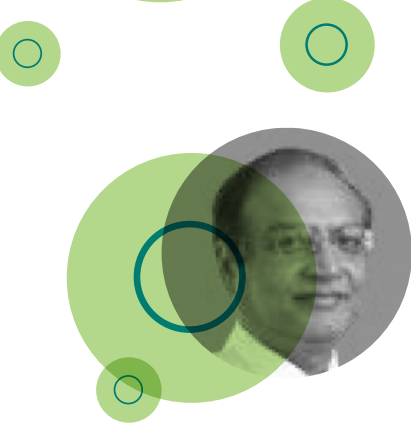
# MANAGEMENT PROFILE



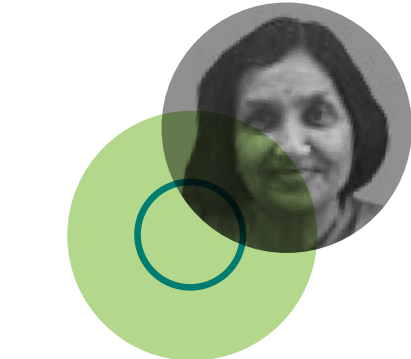
**Mr. Jacques Alexis RADHAY**  
**Ag General Manager**  
Mr. Jacques Alexis Radhay was appointed as the Ag General Manager on 06 March 2017. He holds a Degree in Civil Engineering and an Msc in Sanitary Engineering. He joined WMA in 1997 as Engineer (Civil) and was appointed Divisional Manager in May 2014.



**Mr. Navindranath JOWAHEER**  
**Deputy General Manager (Administration)**  
Appointed as Deputy General Manager (Administration) in December 2011, Mr. Jowaheer holds a Master of Business Administration (Edinburg Business School.uk) and is a fellow member of the Institute of Chartered Secretaries and Administrators (UK). He is also a holder of a Diploma in Journalism from the London School of Journalism. He occupied the post of Corporate Secretary at the Mauritius Broadcasting Corporation prior to joining the WMA as Secretary to the Board in July 2005. Mr Jowaheer is also an executive member of the Institute of Chartered Secretaries and Administrators (Mauritius), a benevolent position.



**Mr. Sooyashdeo SOOKHEE**  
**Divisional Manager (Operation and Management)**  
Mr. Sooyashdeo Sookhee graduated with a B.E (Civil) and completed an Msc in Environment Engineering. He worked as Senior Engineer at the then Ministry of Energy prior to joining the WMA as Works Manager (Civil) in 2003. He has more than 25 years' experience in civil engineering works in the public sector and has been heading the Operations and Maintenance Department, Pollution control Unit and Project Management Unit at the WMA as Divisional Manager since 2011.



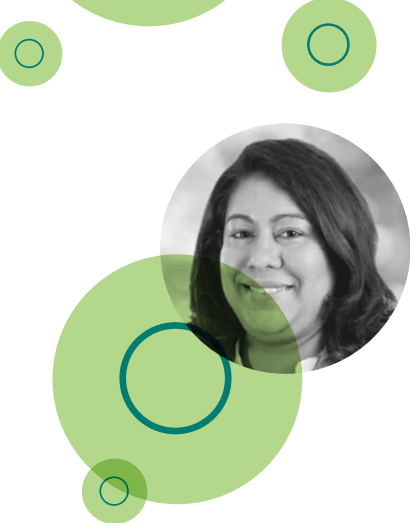
**Mrs. Vimala LUCHMUN**  
**Administrative and Human Resource Manager (up to 21 July 2018)**  
Mrs. Vimala Luchmun is the Administrative and Human Resource Manager. She holds a Master in Business Administration with specialization in Human Resource and a Diploma in Personnel Management from the University of Mauritius. She is also holder of a qualification from the Institute of Chartered Secretaries and Administrators (UK). Prior to her appointment as Administrative and Human Resource Manager, she held the post of Secretary to the Board of the WMA.



**Mr. Premkumar RAMGOOLAM**  
**Financial Manager**  
Mr. Premkumar Ramgoolam graduated with BCom(H) from Delhi University and is a fellow of the Associate of Chartered Accountant (ACCA). He holds an MBA in Human Resource, a Master in Software Project Management and a Master degree in Economic Development, as well as a Post graduate degree in Forensic Accounting. Mr. Ramgoolam has been working in different sectors for the past 15 years, both in private and parastatal bodies. Before joining the WMA, he was Manager/Partner in a Forensic Accounting Office.



**Mrs. Ranjeeta JOYSURY**  
**Acting Laboratory Manager**  
Mrs. Ranjeeta Joysury is the Senior Scientific Officer who has been assigned the duties of Laboratory Manager since 2012. She holds a Master Degree in Chemistry. She is a qualified and registered Technical Assessor for Laboratories in the Chemical and Environmental field and is also a co-opted member of the Technical Sub-Committee of the Accreditation Committee at MAURITAS with regard to ISO 17025:2005.



**Dr. (Mrs) Banishta Bullyraz KUREEMAN**  
**IT Manager**  
Dr (Mrs) Banishta Bullyraz-Kureeman, Information Technology Manager, holds a Doctor of Business Administration from Leeds Beckett University, UK, as well as a Masters in E-Business and Honours Degree in Information Technology, from the University of Mauritius. As a certified IT professional, she joined the Authority in 2007 in the IT cadre and was appointed as IT Manager in August 2016.



# PROJECT MANAGEMENT

Sewer construction tends to be more disruptive and tedious in comparison with other civil engineering works. Excavations works are done in front of people’s doorsteps, roads are closed, road users face traffic diversions and much more. Amidst such hostile and turbulent environment, the WMA continues to take the challenge of expanding the sewer network with the primary aim of providing proper sanitation to the Mauritian population.

WMA has developed a pro-active approach for the management of works and consultancy contracts. Dedicated teams are deployed for each project to follow up closely the smooth implementation of the project concerned.

During financial year 2017/2018, the Authority has managed a capital investment of MUR 453.0m on behalf of Government for wastewater capital projects.

## PROJECTS COMPLETED

During the period under review, four (4) wastewater capital projects have been successfully completed as per hereunder:

- (1) Plaines Wilhems Sewerage Project – Lot 1A, the completion of which marks the whole completion of the whole Plaines Wilhems Sewerage Project which was identified in the National Sewerage Programme
- (2) Design and Construction of Sewer Reticulation and House Connection at Cipaye Brulé, Vallée des Prêtres
- (3) Rehabilitation/Provision of Sewerage Infrastructure at Residence Palmerstone, Phoenix
- (4) Rehabilitation/Provision of Sewerage Infrastructure at Residence La Cure, Port Louis

## Plaines Wilhems Sewerage Project

The Plaines Wilhems Sewerage Project (PWSP), which was one of the main components of the National Sewerage Programme has been completed in November 2017. The project which was implemented under three lots (Lot 1A, Lot 1B and Lot 2) has connected 20,550 households to the public sewer in the regions of West Rose Hill, Mont Roches, Roches Brunes, Plaisance, Central Quatre Bornes, Sodnac and Belle Rose, Stanley, Trefles, Hugnin.

	PWSP – Lot 1A	PWSP – Lot 1B	PWSP – Lot 2
Funding	European Investment Bank/Government of Mauritius	African Development Bank	Exim Bank of China/ Government of Mauritius
Original Contract Value MUR (M)	2,842	973.5	2,340
Revised Contract Value MUR (M)		963.9	2,868
Start Date	October 2009	December 2008	January 2008
Completion Date	November 2017	September 2012	September 2014
Achievement			
• Street Sewer	102	37 km	99.4 km
• House Connections	6,826	3703	10,021
• Water Pipe Replacement	40	15.1 km	47.4 km
Consultant	C. Lotti and Associati S.p.A (Italy)		



## Cipaye Brule Project

With a view to abate severe sanitary problems in the regions of Cipaye Brulé, Vallée des Prêtres, the WMA in September 2016, awarded the contract for the implementation of a sewer reticulation network in the region. The project has been successfully completed on 09 May 2018.

Cipaye Brulé Project	
Funding	Government of Mauritius
Original Contract Value MUR (M)	76.5
Revised Contract Value MUR (M)	Not Applicable
Start Date	October 2016
Completion Date	May 2018
Achievement	
• Wastewater Pipes	3.099 km
• House Connections	155
• Water Pipe Replacement	1.245 km

## Residence Palmerstone Project

The WMA proceeded with the implementation of rehabilitation/provision of sewerage infrastructure at Residence Palmerstone, Phoenix in April 2017 with a view to provide proper sanitation facilities to the inhabitants concerned. The project has been substantially completed in April 2018.

Residence Palmerstone project	
Funding	Government of Mauritius
Original Contract Value MUR (M)	32.8
Revised Contract Value MUR (M)	Not Applicable
Start Date	April 2017
Completion Date	April 2018
Achievement	
• Wastewater Pipes	403.45 m
• House Connections	65
• Water Pipe Replacement	Nil

Excavation works for street sewer



## Residence La Cure Project

The project aimed at rehabilitating an old network in the region of Residence La Cure which was in a state of severe deterioration and subject to relevant blockages and flooding. The project has been completed in May 2018.

Residence La Cure project	
Funding	Government of Mauritius
Original Contract Value MUR (M)	39.6
Revised Contract Value MUR (M)	Not Applicable
Start Date	April 2017
Completion Date	May 2018
Achievement	
• Wastewater Pipes	538 m
• House Connections	84
• Water Pipe Replacement	506 m

## PROJECTS IN PROGRESS

The Project Management Team is presently managing the projects mentioned in table below:

Project Name	Scope of Project	Funding	Contract Value MUR	Status
CONSULTANCY CONTRACT				
Grand Baie Sewerage Project Phase 1B – Consultancy Services	To carry out surveys, detailed design, preparation of bidding documents and supervision of works	Japan International Cooperation Agency (JICA)/ Government of Mauritius (GOM)	154,757,789 (Excl VAT)	
Consultancy Services for Feasibility Study and Detailed Design of wastewater disposal System at Cité EDC Riviere du Rempart	To carry out feasibility study, EIA, detailed design and preparation of bidding documents	Government of Mauritius	2.990,000 (Incl VAT)	- Inception Report, Feasibility Study Report and Geotechnical Investigation completed  - Detailed Design Report submitted
WORKS CONTRACT				
Pailles Guibies Sewerage Project – Phase 1	Construction of 3.35 km of sewer pipes and 1 Pumping Station	BADEA/ OPEC /GOM	253,372,460.85 (Incl VAT)	- Construction of 3.35 km of sewer pipes completed - Construction of Pumping Station ongoing
Rehabilitation/ Provision of Sewerage Infrastructure at Residence Paul & Virginie, Port Louis	Construction of 1.175 km sewer pipes, replacement of 460 m of water pipes and connection of about 127 houses	GOM	58,000,000.80 (Incl VAT)	- Construction of 1.054 km of sewer pipes completed - 352 m of water pipes replaced - 134 houses connected



PROJECTS IN PROGRESS

The Project Management Team is presently managing the projects mentioned in table below:

Project Name	Scope of Project	Funding	Contract Value MUR	Status
CONSULTANCY CONTRACT				
Grand Baie Sewerage Project Phase 1B – Consultancy Services	To carry out surveys, detailed design, preparation of bidding documents and super-vision of works	Japan International Cooperation Agency (JICA)/ Government of Mauritius (GOM)	154,757,789 (Excl VAT)	
Consultancy Services for Feasibility Study and Detailed Design of wastewater disposal System at Cité EDC Riviere du Rempart	To carry out feasibility study, EIA, detailed design and prepa-ration of bidding documents	Government of Mauritius	2.990,000 (Incl VAT)	- Inception Report, Feasibility Study Report and Geotechnical Investigation completed - Detailed Design Report submitted
WORKS CONTRACT				
Pailles Guibies Sewerage Project – Phase 1	Construction of 3.35 km of sewer pipes and 1 Pumping Station	BADEA/ OPEC /GOM	253,372,460.85 (Incl VAT)	- Construction of 3.35 km of sewer pipes completed - Construction of Pumping Station ongoing
Rehabilitation/ Provision of Sewerage Infrastructure at Resi-dence Paul & Virginie, Port Louis	Construction of 1.175 km sewer pipes, replacement of 460 m of water pipes and connection of about 127 houses	GOM	58,000,000.80 (Incl VAT)	- Construction of 1.054 km of sewer pipes completed - 352 m of water pipes replaced - 134 houses connected
Design and Construction of Sewer Reticulation and House Connections at Tranquebar	Construction of 3 km sewer pipes, replacement of 1.3 km of water pipes and connection of about 30 houses	GOM	74,612,202.75 (Incl VAT)	- Construction of 1.358 km of sewer pipes completed - 565 m of water pipes replaced - 10 houses connected
Sewerage Project at Kensington Place, Petit Verger, Pointe aux Sables	Construction of 1.8 km sewer pipes, one Rising Main, one Lifting Station and connection of about 110 houses	GOM	64,280,454.70 (Excl VAT)	- Construction 1.5 km of sewer pipes completed - Construction of Rising Main and Lifting Station completed - 138 houses connected
Sewerage Project at Highlands, Phoenix	Construction of 2.4 km sewer pipes and connection of about 200 houses	GOM	155,441,259.33 (Incl VAT)	- Construction of 1.5 km of sewer pipes completed - 16 houses connected

UPCOMING PROJECTS

It is planned that in financial year 2018/2019, the WMA would embark on the implementation of two major wastewater projects namely (i) Pailles Guibies Phase 2 Sewerage Project (ii) Grand Baie Phase 1 B Sewerage Project.

1. Pailles Guibies Sewerage Project – Phase 2 – Scope of Works

- Construction of approximately 4,050 m of Trunk Sewer No's 1,2 and 4
- Decommissioning of the Pailles Wastewater Treatment Plant
- Construction of approximately 43,900 m of Sewer Reticulation Network
- Construction of approximately 3,099 No. House Connections
- Replacement of approximately 16,200 m of existing CWA piping
- Road Reinstatement and other Ancillary Works

2. Grand Baie Phase 1 B Sewerage Project – Scope of Works

Lot 1

- Construction of approximately 80 km of Sewer Reticulation Network
- Construction of approximately 4000 Nos. Sewer House Connections
- Construction of about 12 km Rising Mains
- Construction of 23 Nos. Pumping stations (including 2 lifting stations on public roads) and Associated M&E Works
- Upgrading of SCADA system at the Mont Choisy wastewater treatment plant
- Road Reinstatement and other Ancillary Works

Lot 2

- Replacement of approximately 6 km of Potable Water Pipelines
- Construction of a New Workshop Building at the Mont Choisy Wastewater Treatment Plant
- Degreasing/Degritting Unit at the Mont Choisy Wastewater Treatment Plant
- UV Unit at the Mont Choisy Wastewater Treatment Plant
- M&E Rehabilitation Works at the Mont Choisy Wastewater Treatment Plant

Apart from the above 2 major Projects, the Authority is also embarking on the following projects:-

(i) Cité Malherbes

- Laying of some 1.4 km of sewer pipes
- Construction of some 50 manholes
- 216 house connections including for reconstruction of chambers and manholes
- Replacement of 700 m of water pipe, reinstatement works and other associated works
- The Contract is expected to be awarded tentatively in October 2018. The cost estimate of the project is MUR 52 Million.

(ii) Cité Atee, Curepipe

- Laying of some 1.3km of sewer pipes
- Construction of some 50 manholes
- 325 house connections including for reconstruction of chambers and manholes, reinstatement works and other associated works
- The tentative launching of bids is October 2018. The Contract is expected to be awarded tentatively in mid-January 2019. The cost estimate of the project is MUR 106 Million.

(iii) Rehabilitation Works @ Volcy Pougnet (Raoul Rivet)

The project aims at conveying excess flows from the surrounding and alleviate flows that are presently being conveyed along Volcy Pougnet Street. This would eventually help to mitigate sewage overflows along Volcy Pougnet Street whereby the Dr. A.G. Jeetoo Hospital is found. The Project has been awarded in September 2018. The cost estimate is MUR 24.31 Million.

(iv) Rehabilitation Works at Thommy D’Arifat, Curepipe

- Replacement of about 560 m of 150 mm diameter sewer line to 300 mm diameter
- Reconstruction of associated manholes and house connections
- The bidding document has been launched with closing date of 23 October 2018
- The cost estimate is MUR 21.05 Million

# HOUSE CONNECTION & SEWER REHABILITATION

An innovative approach to House Connections and Sewer Rehabilitation and Extension works under the Framework Agreement has been adopted by the Authority in August 2016 and August 2017 respectively.

The Framework Agreement for House Connections is being implemented with a view to shorten the timeframe for house connection which previously took more than 12 months. Accordingly, more households are now being connected to the public sewer within a shorter timeframe and at a lower cost, to the satisfaction of WMA stakeholders.

In line with the same strategy, another rates contract under new the Framework Agreement was launched for rehabilitation works and extension of sewer lines to intervene quicker in cases where there are nuisances caused due to damaged sewers. Prompt actions are taken to remedy problems associated to defective sewer infrastructures and sewerage overflows. The contract period is for duration of one year.

## Achievement under Framework Agreement

872 house connections have been completed as at end June 2018.  
150 repair works have been completed as at end June 2018.

## Sewer Extension and Sewer Maintenance Works

WMA has also revisited numerous cases of extensions. This list of outstanding cases is now considered on a case to case basis under the Framework Agreement.



Construction of manhole and gully trap

# OPERATIONS & MAINTENANCE

The WMA strives for the appropriate operation and maintenance of its wastewater infrastructure that is public sewers, pumping stations, wastewater treatment plants and other facilities for an uninterrupted service. Wastewater is generated from residential, industrial and commercial sources and is directed via its sewer network to wastewater treatment plants for necessary treatment before its discharge into the environment.

The Operation and Maintenance (O&M) section which comprises of 3 sub offices located at Caudan, Beau Bassin (Lower Plains Wilhems) and Curepipe (Upper Plains Wilhems), to offer its service to around 27% of the Mauritian population connected to the public sewer. The proper Operation and Maintenance (O&M) of the existing wastewater infrastructure and future ones is a real challenge for the WMA because of the ageing existing sewer network, particularly in the Port Louis region. In addition with the on-going National Metro Express Project, the Road Decongestion Program and Flyover Project, the O&M is called upon for its technical input, advice and to supervise any sewer works associated with these projects.

The sewerage network in Port Louis was implemented since 125 years with a recent upgrade in the centre of Port Louis some 60 years ago. The growth in Port Louis compared to the time the sewerage network was constructed has changed significantly in terms of population and development. The design parameters of the existing network have greatly been exceeded since a long time. Interventions are being carried out to ensure the proper functioning of the network which is a real challenge for the WMA Operation and Maintenance teams who have to carry out regular systematic checks and perform repairs on defective sewers to enhance the structural integrity of the sewerage system and to prevent the pollution to waterways. The Rehabilitation of the Port Louis sewer network has started with the implementation of the upgrading of St. Marie Road & Allee Pere Laval Street under the Traquebar Sewerage Project and will continue with the implementation of the rehabilitation of the Volcy Pougnet street.

The Operation & Maintenance teams are usually faced with the problem of high level of Fats, Oils, and Grease (FOG) in sewer lines.

This is risky to sewers and keeping destructive substances from going into the sewer is much easier than trying to get them out. FOG accumulates forming clogs in pipes and causing blockages and overflows.

The WMA also strived to optimise costs associated with wastewater treatment, thereby ensuring effective management of wastewater assets to comply with the standards and regulations in force for health and safety, the environment and quality aspects.

For the 2017/2018 period, the WMA also achieved the following:

### (1) Treated Effluent Re-use

Treated effluent from the St Martin Wastewater Treatment Plant is being used for sugarcane irrigation. During the period under review, 4.5 million m³ were supplied for that purpose, thereby contributing towards the country's overall water balance. In addition, the WMA has signed an agreement with Compagnie de Mont Choisy Ltée for the supply of treated effluent. For period July 2017 to June 2018, 0.8m m³ were supplied.

### (2) Asset Replacement

- Pumps at Cybercity PS 1 were replaced in April 2018 together with addition of mixer to prevent stagnation of wastewater in the well and thereby reducing odour complaints that were previously received.
- Submersible Wastewater Mixers were replaced for Grand Baie Treatment Plant in September 2017 to maintain quality of effluent for irrigation of Mont Choisy Golf Course.
- Submersible Wastewater Mixers were added in the wet well at Borstal PS in April 2018 to prevent stagnation in wetwell, clogging of lines as well as breakdown of pumps with float switches that were faulty at times causing previous overflow on site.

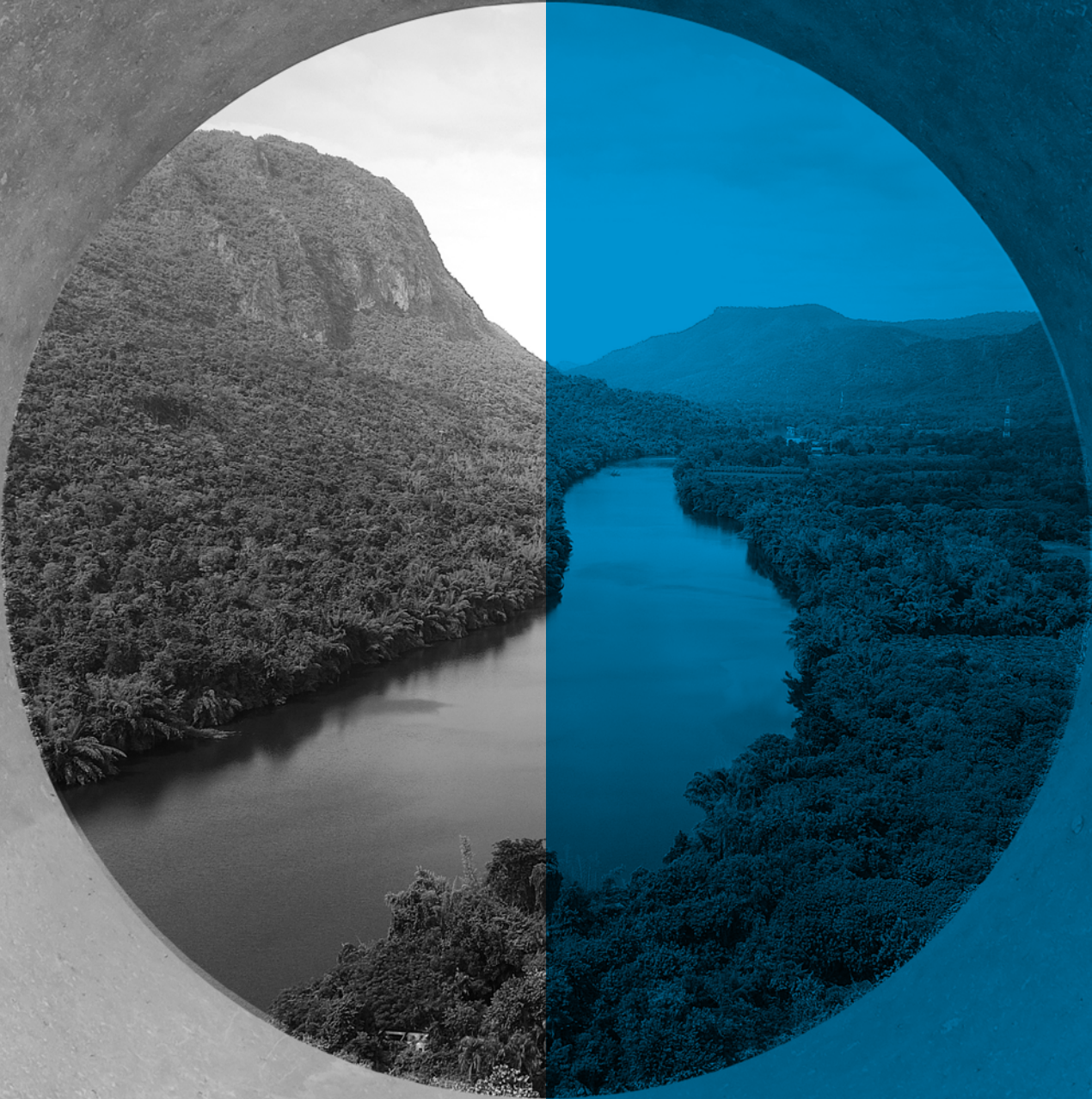


S/No	Details	Total
1	Length of sewer main jetted as apart of Preventive Maintenance (Kms)	5,526
2	No. of sewer blockages cleared	12,790
3	No. of wastewater Carrier Operators	102
4	No. of trips of Wastewater disposal by WMA carriers	3,633
5	No. of trips of Wastewater disposal by Private Carriers	51,036
6	Total volume of seepage carted away by WMA & Private Cesspool Carriers (m3)	879,612



Maintenance works in progress

Preserving natural resources for future use.





# POLLUTION CONTROL UNIT

The Pollution Control Unit (PCU) in line with WMA's mission to protect the water and marine environment moved forward for regulating, monitoring and controlling industrial effluent being discharged to the public sewer. An industry discharging effluent from its industrial activities into the public sewer applies for a Licence from the WMA and submits effluent analysis results and records of water consumption for ensuring compliance with prevailing standards as set out in wastewater regulations. This is coupled by yearly monitoring visits at the licensed industries. During Financial year 2017/2018, the Unit has processed a total of 43 Licences and carried out 33 monitoring visits at industries.

With the increasing number of hotels and some industries having wastewater treatment facilities, the Authority is faced with a new challenge to ensure compliance of the treated effluent with the prevailing norms. A total of 20 Wastewater Treatment Plants has been monitored and necessary actions are initiated as and when required for non-compliance.

To complement the monitoring exercise undertaken by the Pollution Control Unit, for hotels, industries and public Wastewater Treatment Plants, the Wastewater Laboratory carries out independent sampling and analysis to ensure that the quality of final effluent meets relevant standards applicable under the law.

The activities of PCU for July 2017/June 2018 are summarised as per the tables below:

S/No	Category	Numbers Processed
1	Clearances for EIA/PER	101
2	Clearances for Building and Land Use Permit	243
3	Clearances for Land Subdivision	554
4	Industrial Discharge Permits	43
5	Authorisation for disposal of expired liquid products	8
Total		949

Table 1 - Processing of Applications for Clearances and Discharge Permits

S/No	Category	Numbers
1	EARs from industries licensed	430
2	EARs from hotels and private treatment plants	289
3	EARs from WMA Laboratory for WMA's wastewater treatment plants	139
4	EARs from WMA Laboratory for yearly monitoring of industries	46
5	EARs from WMA Laboratory for yearly monitoring of hotels	23
6	EARs from WMA Laboratory for disposal of expired liquid products	12
Total		939

Table 2 - Effluent Analysis Results (EARs) Checked and Processed

S/No	Category	Numbers
1	Industrial effluent discharges	33
2	Effluent discharges from hotels and private treatment plants	20
Total		53

Table 3 - Site visits for monitoring effluent discharges



# E-LICENSING PLATFORM

The E-Licensing Project has been initiated by the Government so as to address key constraints to business facilitation owing to heavy regulatory frameworks and institutional bureaucracy. The Government is working on this project with a view to creating a favourable climate for doing business and urging investment as well as enhancing the capacities of enforcement agencies to reduce trade barriers.

- The four key components of the project are namely:
- (i) E-licensing Platform;
  - (ii) Business Process Re-Engineering exercise;
  - (iii) Regulatory Review; and
  - (iv) Change Management Programme

E-licensing platform will be the single point of entry for applications for all business licenses, permits, clearances, certificates or any other type of authorisation required to start and operate a business while enabling cross-agency integration and customer-centric services.

Since clearances of WMA are required at the various stages of a project, namely Environmental Impact Assessment (EIA), Subdivision of Land, Building and Land Use Permit (BLUP), WMA has also been taken on board for the E-licensing platform.

At present, the processing of BLUP is being done through an on-line system. Information on the on-line system is transferred into the WMA intranet system namely, Core Activities Planning & Execution Review (CAPER).

With the coming of the E-licensing platform, WMA/PCU will have to once more adapt to this new system in order to process applications at various stages.

The fees payable in respect of Clearance for building permit has been reviewed as from 01 October 2017. The Application Fee in respect of Building and Land Use Permit (BLUP) clearance is now Rs 1,500 per application.



Our role is to minimise impacts on the environment.



POLLUTION CONTROL



# WASTEWATER LABORATORY

The Wastewater Laboratory follows a monitoring exercise along with the Pollution Control Unit throughout the year to ensure that the wastewater from Wastewater Treatment Plants of infrastructural and industrial development are properly managed to ensure compliance with prescribed environmental standards.

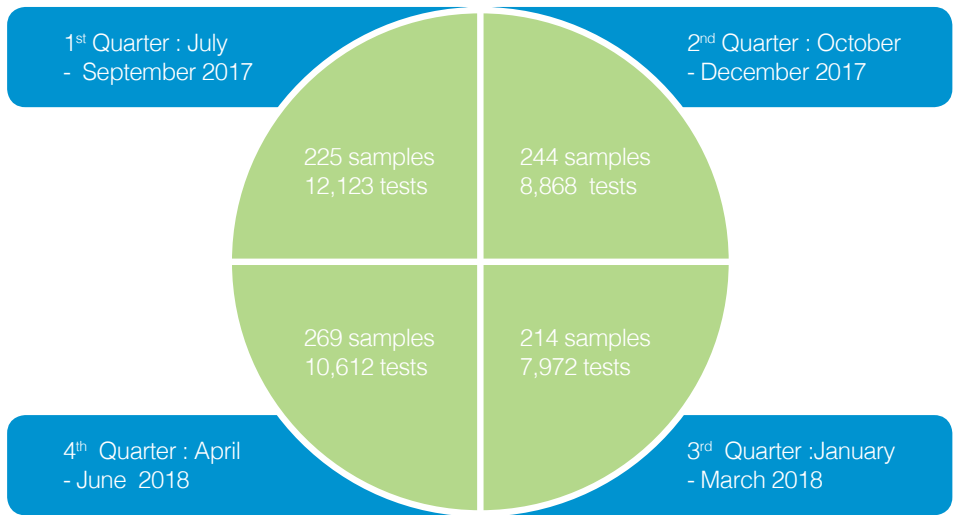
The Laboratory is involved in the sampling and testing activities of wastewater and water.

## Sampling

For the period under review, 952 samples were collected/ received from sites like Wastewater Treatment Plants (WWTPs), industries and hotels. Some of the organisations also subcontracted some of the tests to WMA's Laboratory. Figure 1 below shows the number of samples collected/ received at the wastewater lab for testing purposes.

## Testing

The Wastewater Laboratory is equipped with several equipment and test methods to perform testing. All test methods have been reviewed according to the new publication of the standard methods for the examination of water/wastewater. The figure 1 below depicts the number of analyses performed during the period concerned.



The laboratory progressed significantly towards its endeavour to maintain accreditation to ISO/IEC 17025:2005 which is the Standard for Testing and Calibration Laboratories. For the period July 2017 to June 2018, the Laboratory successfully passed the surveillance assessment carried out by MAURITAS in December 2017 and it has extended its scope of accreditation. Till June 2018, twenty four test parameters have been accredited. The laboratory also participated in proficiency testing in October 2017 and has passed with satisfactory results.

# HUMAN RESOURCE & ADMINISTRATION

The field of Human Resource has evolved considerably over the past years due to numerous factors ranging from globalisation, internal and external environment forces, and thus requiring a more educated and demanding workforce. Employees are the pillars of any organisation. The way employees are treated has a direct impact on the organisation's overall performance and customer service delivery. The Authority hence views that the workplace conditions, personal development, work/life balance, health and safety aspects and all such issues that need to be addressed to ensure a happy, healthy and motivated workforce, are given the utmost importance.

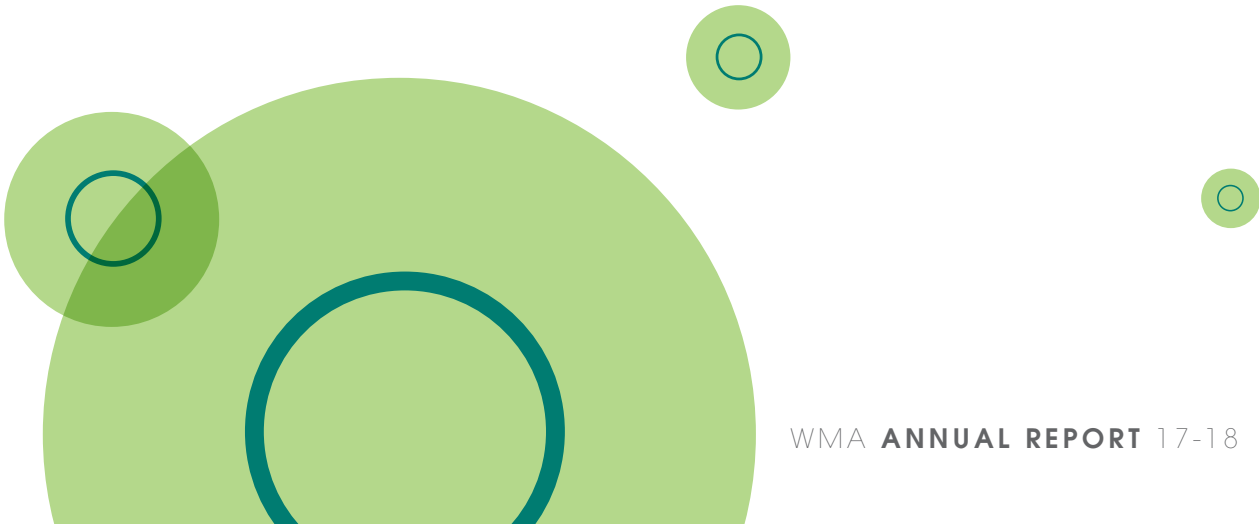
The WMA workforce stood to 458 as at June 2018.

One major project involving the Human Resource Section for the period July 2017 to June 2018 is the implementation of Enterprise Resource Planning (ERP) with the objective reducing paperwork, improve accuracy and efficiency and enabling the availability of updated information for a quicker decision making.

## Human Resource Profile

The WMA workforce was constituted as follows:

Grade	June 2018
Management	13
Technical	145
Worker	300
Total	458





## Recruitment of staff

During period July 2017 to June 2018, emphasis was laid on capacity building to ensure that the WMA has the required manpower with the right talents and attitude to meet the demand of an expanding sector and timely implementation of the major capital projects.

Internal Recruits/Promotion		External Recruits	
Posts	Number	Posts	Number
Technical Officer (Civil)	1	Engineer/Senior Engineer (Civil)	2
Senior Procurement/Supply Officer	1	Engineer/Senior Engineer (Electrical)	1
Procurement/Supply Officer	1	Engineer/Senior Engineer (Mechanical)	1
Senior Technical Assistant	5	Internal Auditor	1
Treatment Plant Worker	30	Technical Officer (Civil)	1
		Management Support Officer	3
		General Worker	3
Total	38	Total	12

## Training and Career development

Human Resource development is the heart of the organisation and training is provided to employees through workshops, participating in conferences and by ensuring transparency in all its activities.

All training provided by the WMA is based on identified training needs of the employees as determined through the performance appraisal reports, training needs assessment, future staffing requirements. During the period under review, 67 WMA staff members attended training locally and 8 WMA Staff in the Engineering cadre benefitted from overseas training in the following field:-

- Wastewater Treatment Technology
- Environment Protection Technology
- Water Supply and Wastewater Treatment Technology
- On-site Wastewater Treatment System
- Planning and Management of Drinking Water and Sanitation projects
- Sewage Treatment process

## Performance Management System

The Performance Management System was introduced at the WMA in 2012 and has now been integrated in WMA's work culture. This exercise is carried out twice yearly which enables the monitoring of individual performance for the attainment of corporate objectives. The end of year appraisals also determine the grant of incremental increase in line with PRB recommendation. Updates are ongoing on the key performance indicators. In order to enable appraisers to conduct the exercise in an objective manner, training sessions were held for appraisers at outstations.

## Medical Scheme

The Medical Insurance Scheme has been implemented for the benefit of staff and their dependents since January 2007. 80% of the monthly premium for employees is subsidised by the WMA. Various benefits (inpatient and outpatient) are available for all the members enrolled. During the period under review, the WMA Board approved that the Medical Scheme being provided to WMA Staff.

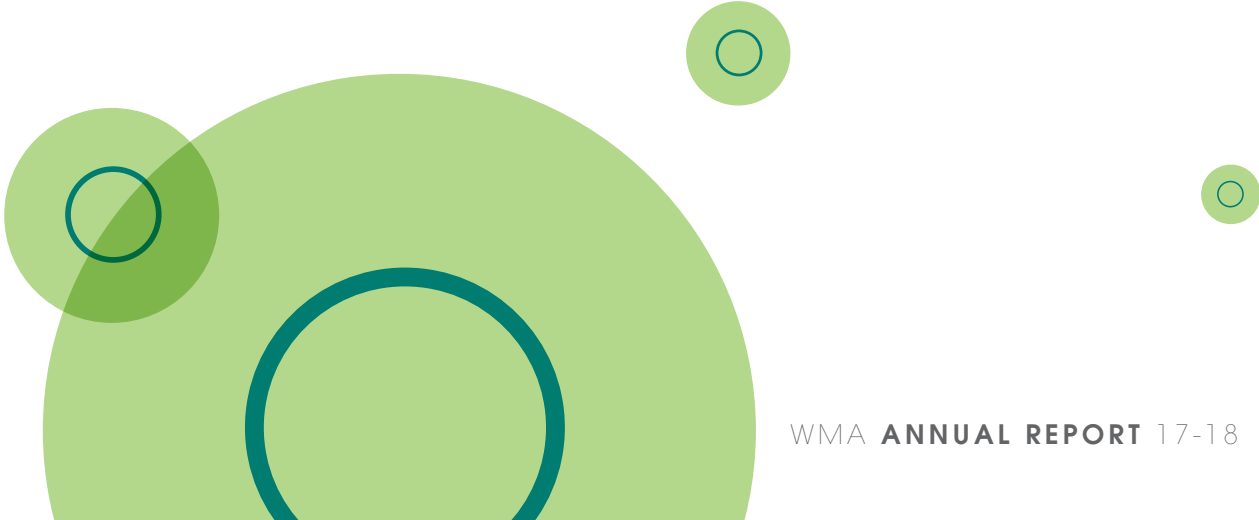
## Health & Safety

In view of the specificity of the WMA, promoting a Health and Safety culture remains a priority at the WMA. As a responsible Employer, the WMA is committed to provide, as far as it is reasonably practical, a safe working environment for its employees and stakeholders visiting its premises.

The Medical Surveillance Program is carried out yearly for staff who are exposed to hazardous environment at the WMA so as to detect occupational disease, if any, and to ensure that staff are fit to perform their duties. For the period under review, 185 staff have benefited from the Medical Surveillance Program and no cases of occupational disease have been reported from the medical reports received.

Vaccination programs against Hepatitis, Typhoid and Tetanus were carried out to prevent work related risks.

In addition to the above, practical training sessions on the use of fire extinguisher and fire drill exercise have been carried. Some 95 staff participated in the training and simulation exercise.



# Welfare Activities

To create a sense of belonging to the organisation and being conscious that a healthy workforce helps in the fulfilment of the organisation's objectives, the Authority is continuing its efforts to encourage its staff to engage in sports and welfare activities.

In that respect, affiliation with the Federation Mauricienne des Sports Constitues (FMSC) has provided opportunities for WMA staff to participate in various sports competition and won in the following disciplines:-

Activity	Outcome
Indoor game activities 2017	Won the vice champion trophy (2 <sup>nd</sup> place)
Indoor game activities 2017	Participated in Domino, Carom and "Flechette" activities.
FMSC Veteran football championship 2017	Won the Championship
FMSC Athletisme 2017	Won; i. 2 Bronze medals in Javelin throw ii. 1 silver medal in Javelin throw iii. 1 bronze medal in 400 m run iv. 1 silver medal in discus throw
FMSC Swimming Competition 2017	Won; 1 Gold medal in 100 m free style 1 Gold medal in 4x50m relay 1 Silver medal brass style
Foot five competition 2018	Won the championship and the 3 <sup>rd</sup> place
Worker FMSC football Super Cup 2018	Ranked 3 <sup>rd</sup> place

# Transport

During the period under review, the Global Positioning System (GPS) installed on WMA vehicles posted at the Head Office, Sub Offices and Wastewater Treatment Plants became fully operational. With the implementation of GPS, the following objectives are being achieved:

- (i) Monitoring of vehicle mileage and fuel consumption
- (ii) Assessing time per stop
- (iii) Proper and optimum planning of trips
- (iv) Improved customer service
- (v) Security of Drivers
- (vi) Localising WMA vehicles in real time.

Following the implementation of the GPS on WMA vehicles, a decrease in fuel consumption and overtime performed by Drivers, has been noted.

Managing wastewater more efficiently  
is a core component of sustainability.





# PUBLIC RELATIONS & CUSTOMER CARE

## Engagement towards our stakeholders

The Public Relations & Customer Care Unit (PRCCU) adopted a digital culture in line with the Authority’s objective towards a smarter WMA. With the implementation of the Core Activities Planning & Execution Review (CAPER), complaint monitoring was made accessible in WMA's three Sub Offices, rendering follow-up more systematic, in an attempt to win customer satisfaction.

Concurrently, the team upheld the reputation of the Authority through various awareness campaigns, sensitising people about the wastewater sewerage projects.

### PR Campaigns

*Rehabilitation/Provision of Sewerage Infrastructure on CHA & Low Cost Housing Estates*

The project was initiated to reduce the problem of recurrent overflows and nuisances faced by the residents of CHA and Low Cost Housing Estates. For the period under review, works were executed for the following three housing estates: (i) Residence Paul et Virginie, (ii) Residence Palmerstone and (iii) Residence La Cure. The PR team was actively involved on-site to attend to complaints and requests received on all the three sites.

Excavation works for Residence Paul et Virginie and Residence Palmerstone were executed during the period of October 2017, whereby, students from both Jean Lebrun Government School and Phoenix Government School were disturbed with dust and noise pollution caused. Meetings were undertaken and measures were adopted to minimise the inconveniences caused to the satisfaction of all stakeholders.

#### Highlands Sewerage Project

With the initiation of the Highlands Sewerage Project, the PR team was actively involved with sensitisation/awareness campaigns and supporting the project team in liaising with residents. Prior to the start of excavation works, a general and localised brochures were designed in-house depicting information about upcoming sewerage works and contact information. Moreover, explanatory sessions with senior citizens, students of Highlands Government School, representatives of Force Vives and Presidents and members of Religious Institutions were conducted.

The PR team has maintained a regular presence on site ensuring that complaints are dealt with in a timely manner, especially during period of festivals.

### Internal Communication Strategy

**CONNECTED: Our Internal E-Newsletter**

Bringing teams closer together is a challenge for every organisation. A newsletter is a platform to freshen up internal communications, producing digestible content for the team to engage on.

Over the past year, the PRCCU has been working heads-on in trying to keep all employees updated through WMA's internal E-Newletter – CONNECTED, now issued on a monthly basis.

## Reduce and Reuse Campaign

A campaign was launched in April 2018 in an attempt to sensitise and help employees reduce paper consumption at our offices. The aim was to raise employee awareness on the amount of paper being used. The first step was to help employees understand the different ways in which they can reduce and reuse paper.

## Reviving our Corporate Image

In our effort to better inform our stakeholders, four videos have been produced to provide an overview of:

- The main stages for treatment of wastewater
- Proper usage of the wastewater system
- Stages for the execution of wastewater projects, and
- The various services offered by the Authority

These videos are displayed on the Authority’s website.

## Statistics for Customer Care Unit

The Customer Care Unit handled the following activities during the period 2017-2018.

Services	Number
Application for House Connection	640
Operations and Maintenance Complaints	17,150
Citizen Support Portal Complaints	263
Application for Building Clearances	890
New Wastewater Carrier Permits	13
Notary Clearances	6

Wastewater management is key to preserving our green spaces.

# INFORMATION TECHNOLOGY

## Objectives

Information Technology (IT) has become a major driving force in many organisations, and the WMA is no exception. The IT Unit (ITU) functions as a central arm of the Authority by leveraging IT services to support the organisational strategic goals. Consequently, the major objectives of the ITU are to:

- Deliver efficient and timely IT support services to users at the WMA Offices, including, the Head Office, Sub-Offices, Wastewater Treatment Plants (WTPs) and Roche Bois PS.
- Support, operate and manage existing software applications, databases and networks in a reliable and efficient manner.
- Maintain reliable, up-to-date technological infrastructures and replace obsolete equipment/services to meet changing service demands.
- Propose and implement technology-focused solutions that help in increasing productivity, streamlining business processes, enhancing computing experience and improving customer service.
- Interfacing and coordinating interactions between the Authority, user departments and solution/service providers for IT projects under implementation, as well as for service level agreements underway.

## Key Achievements/Progress

In its wake of positioning itself as a key business enabler, the achievements of the ITU during the period under review include:

No.	IT Projects	Benefits to the Authority	Status
1.	Implementation of an IP-based PBX System and setting up of a Wide Area Network (WAN) at the Head Office (HO), 3 Sub-Offices (SOs) - Caudan, Curepipe and Beau Bassin, and 2 Wastewater Treatment Plants (WTPs) - Montagne Jacquot and Grand Bay	<ul style="list-style-type: none"><li>• Long term savings in respect of telephone bills</li><li>• Enhanced communication</li><li>• More robust and controlled IT infrastructure</li><li>• Better sharing of documents</li><li>• Accessibility to e-services available at the Head Office through the WAN</li></ul>	Completed
2.	Implementation of a customised Case/Customer Management System	<p>Allows to manage and monitor in a more efficient, organised and informed manner:</p> <ul style="list-style-type: none"><li>• Customers connected to the sewer network</li><li>• Applications/Complaints/Queries in respect of wastewater services</li><li>• Legal Cases; and</li><li>• Fleet Management</li></ul>	Live since January 2018. Some minor enhancements are in progress
3.	Implementation of an integrated Enterprise Resource Planning (ERP) System	<ul style="list-style-type: none"><li>• Provide a common database supporting the different modules (Financials, Human Resource Management, Plant &amp; Machinery Maintenance Management, Procurement, Inventory, and Project Management), thus enabling centralised storage/back-up of all enterprise data</li><li>• Allow streamlining departmental procedures and reducing reliance on manual processes, thereby saving both time and money</li><li>• Provide improved enterprise analytics through advanced reports</li></ul>	In progress. Expected to go live in December 2018

## The way forward – Forthcoming Projects

Some of the forthcoming IT projects include:

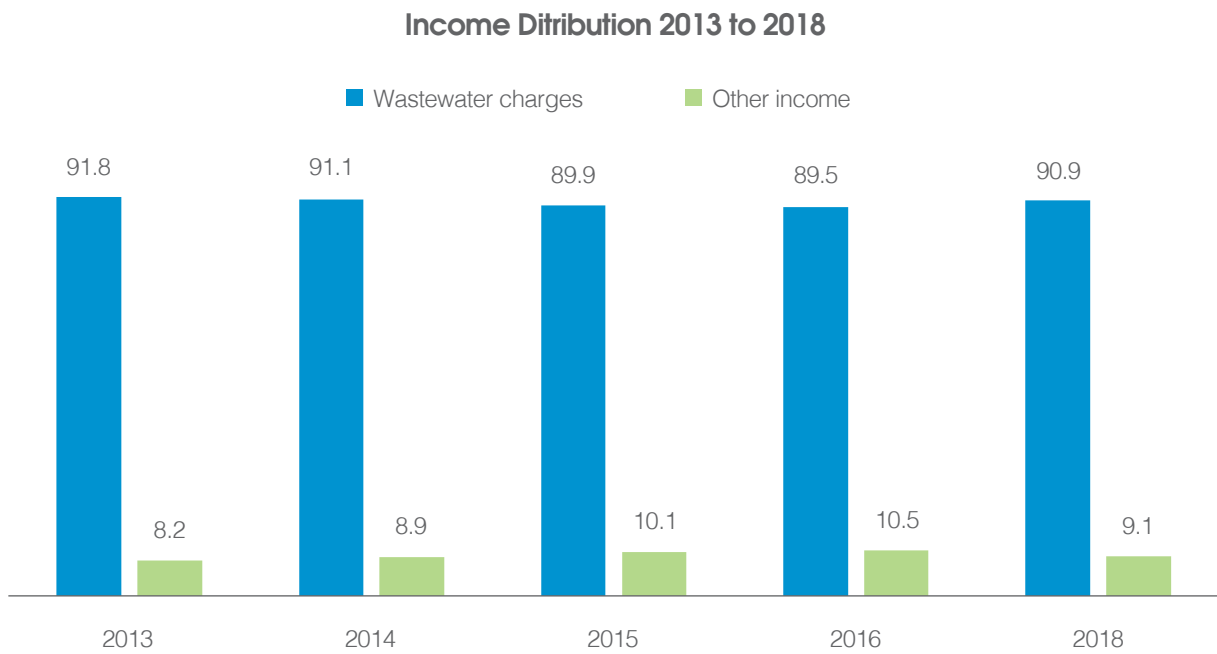
- Implementation of an electronic Board Management System, which will allow the WMA Board and Sub-Committees to access and manage their board packs in a more organised and efficient manner.
- Upgrading of the Roche Bois Voucher and Invoicing System.
- Implementation of Card-based Attendance System at Roche Bois Pumping Station and replacement of existing attendance machines in the Sub-Offices and WTPs.
- Integration of Sub-Offices and WTPs to the existing E-leaves and Attendance Management System.



# FINANCIAL HIGHLIGHTS

## Revenue

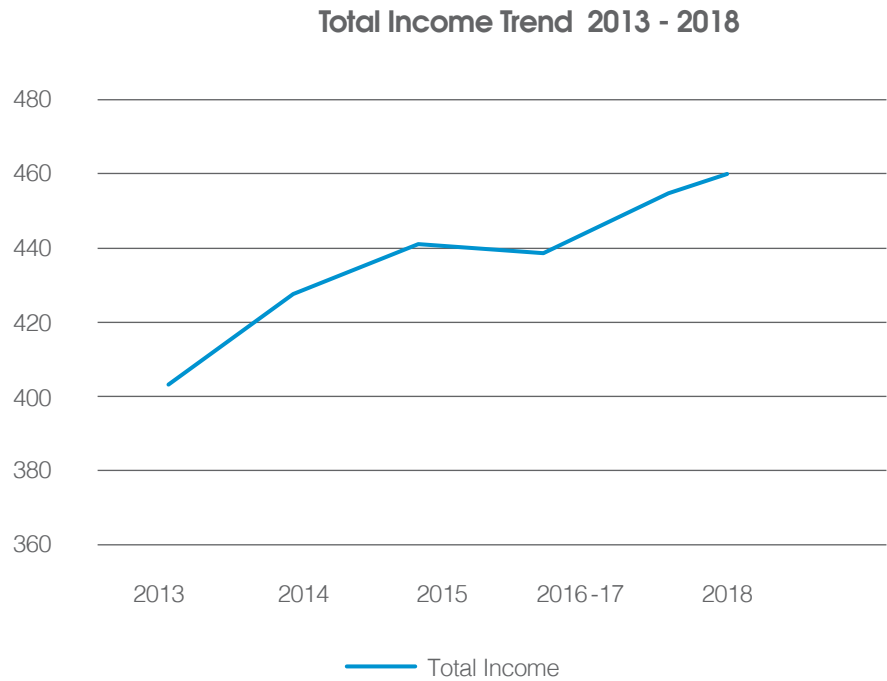
The Wastewater Management Authority total revenue for the financial year 2018 amounts to Rs 471.93m. The income distribution is skewed towards the wastewater charges representing an average of 90% of the WMA total revenue for the period 2013 to 2018. The average income growth for wastewater tariff for the period June 2018 is 8.3% as compared to 2017. The main determinant that triggers wastewater income growth is the wastewater tariff which depends on the water consumption and the number of house connection.



The bar chart clearly shows a movement of the wastewater income within the range of 89% to 92% and for the other income, it varies within the range of 8%-10.5% of the total income.

## Total Revenue Analytics

The total income trend line shows an initial steep upward slope with a 5.9% growth in 2014 followed by a 3.06 % in 2015. For the year 2016-17 the impact of the 6m³ water was significant and WMA experienced an insignificant fall of 0.5%. While for the year ended 30 June 2018, the total income growth is at the rate of 8.3%. The income generating momentum will speed up in the near future if the house connection follows suit with the coming of the new projects.



# Other Income

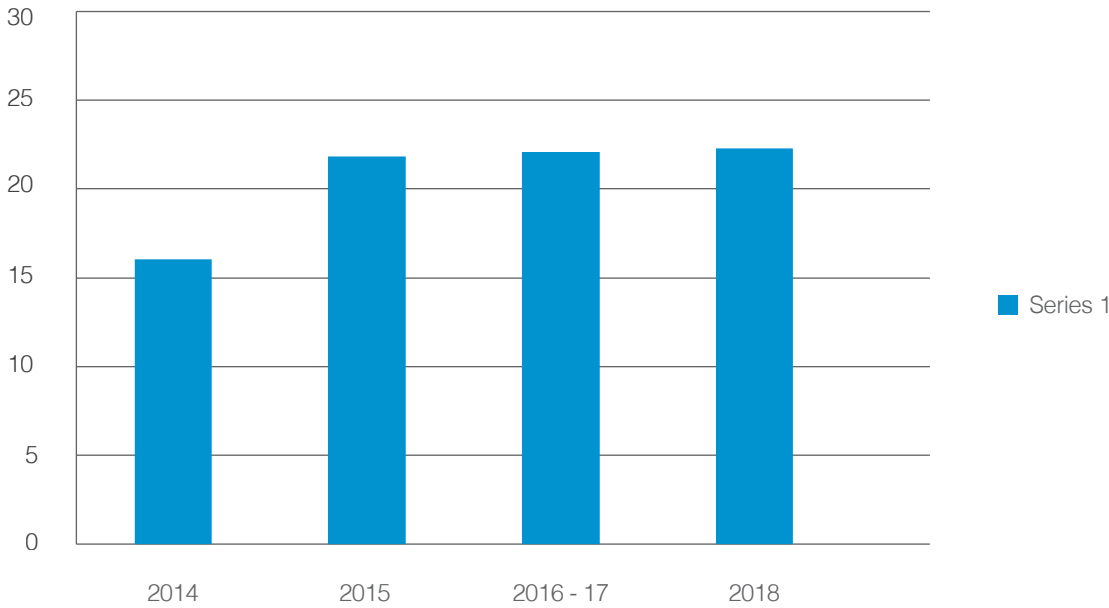
The total other income generated for the year ended 2018 amount to Rs 46.77m among which 48% representing the disposal of effluents at Roche Bois Pumping Station.

Other Income Distribution 2018



The bar chart below shows an even distribution of revenue generated from the disposal of effluents which revolves within the range of Rs 20m to Rs 24m for the period 2018.

Disposal effluent 2014 - 2018



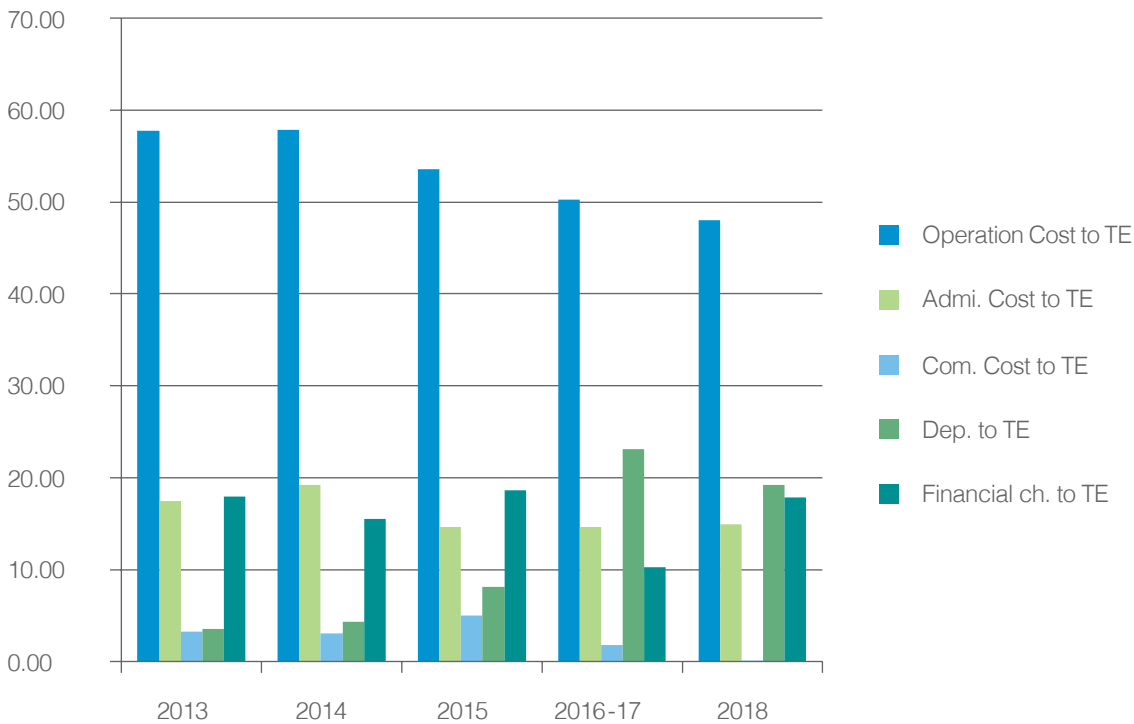
A working strategy is being worked out to generate waste disposals as significant source of income.

# Expenditure

The operational and financial activities of WMA are mainly absorbed under five core categories of expenditure.

- a) Operational cost – Salaries description and Operational maintenance
- b) Administrative cost – Administrative expenses
- c) Commercial cost – Provision for bad debts and Income collection fee
- d) Depreciation – Wear & Tear/Impairment
- e) Financial costs – Interest of investment in projects and Other charges

WMA total operational costs have absorbed more than 30% of the total cost for the period 2013 to 2018.

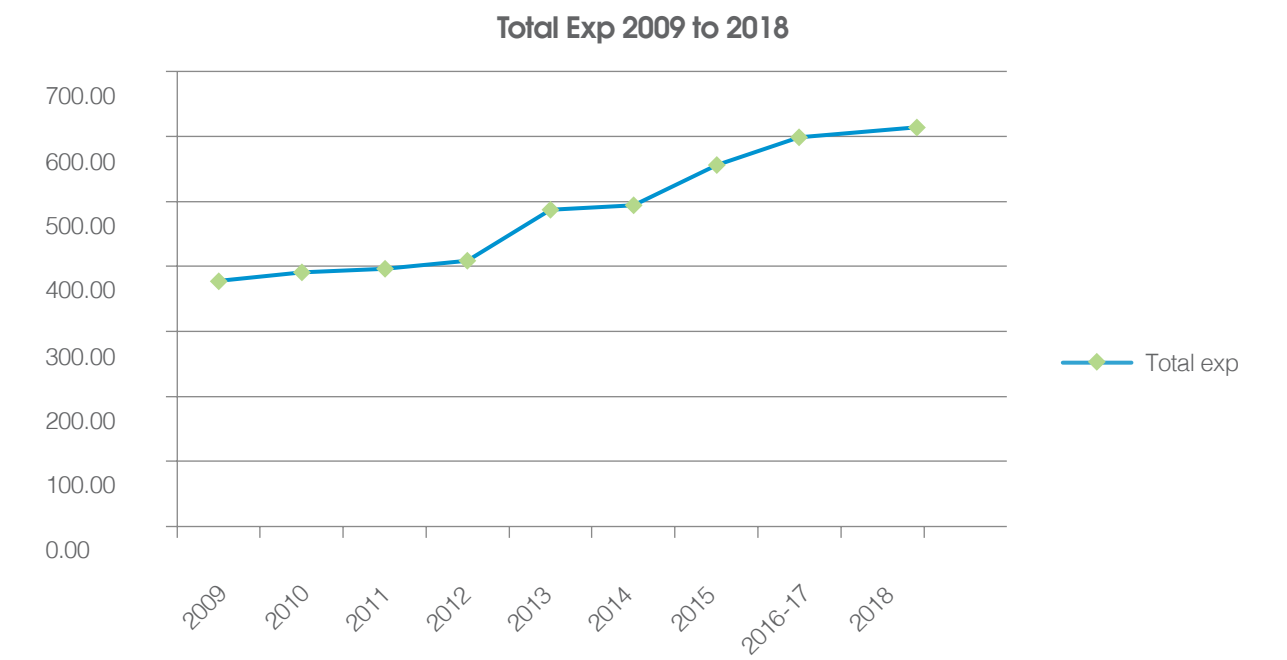


Note: **TE – Total Expenditure**  
The operational cost varies within the range 50% to 57% of the total expenditure



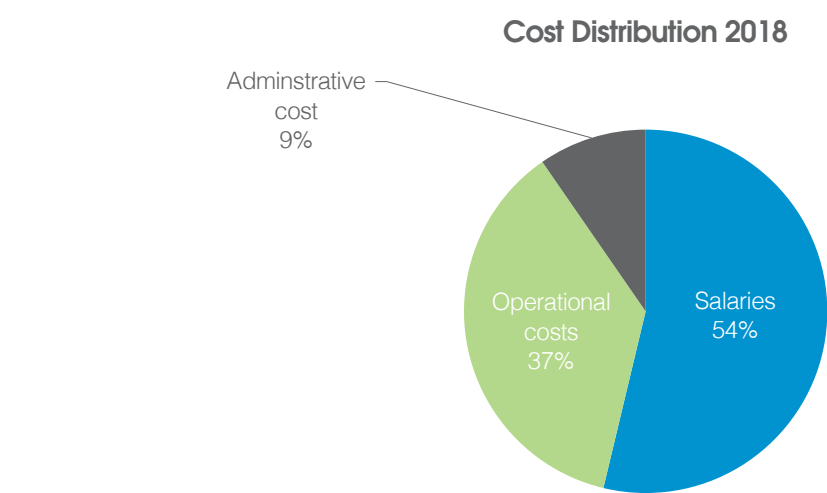
## Expenditure Analytics

The total expenses for period 2009 to 2012 crossed the line of Rs 400m with constant asymptotic move and followed steep escalation in 2013 to reach Rs 500m. As from 2014 the total expenses rose continuously to absorb Rs 606m in 2018. As from 2009 to 2018 the change in total income is Rs 200m.



## Cost Distribution

The running cost of WMA as at 30 June 2018 is unevenly distributed among salaries & other cost, repairs & maintenance cost and administrative cost. 54% of the operational cost is absorbed by the salaries, 37% is spent on operational and maintenance cost and the remaining 9% on administrative cost. It can be observed that WMA operational activities are more likely to be labour intensive.



The cost distribution for the period 2018 is expected to follow a similar pattern.

## Financial Position

The financial position of WMA has undergone through fundamental growth as far as its long term assets is concerned. The holding of Rs 18.03bn of assets in operations in itself shows the capacity of the Authority to maintain its operations. However, only Rs 2.86bn is accounted in the financial position.

Investment project absorbed the lion share of the total non-current asset, the percentage of investment of the total non-current asset reached 66% in 2014 and 95.6% in 2018.

Receivables, Inventories and Work In Progress (WIP) occupied 66% of the total current asset for the year ended 30 June 2018.

The financial position of WMA depends on the volatility of project completion. Uncompleted projects are accounted as WIP and on completion accounted as investment property. The longer time period a project stands on the WIP prohibits the organisation to enjoy economic benefits on the investment property.

Total non-current liabilities occupies 82.8% of the liabilities for the year ended 30 June 2018.

The current liabilities have undergone a revival on the adoption of the reversal of user fees obligation.

## Cash Position

Cash and cash balances are most liquid assets for any organisation and having immediate financial resources shows a sound financial stability of the WMA. The operational and running cost are fully funded by the Authority. The funding of all investment projects are from the Government.

Cash flow analysis	Rs	Rs	Rs	Rs
	2014	2015	Jan 2016 - Jun 17	2018
Cash flow from operating activities	(596,516,690)	422,069,021	902,175,000	109,799,153
Cash flow from investing activities	673,439,536	(465,824,856)	(924,937,059)	(445,374,317)
Cash flow from financing activities	(2,502,594)	1,989,876	240,424	333,146,334
Cash balance	117,025,366	75,259,407	52,737,772	50,308,942

The major activities that require funding are WMA operational activities and investment projects. The major changes in investing and funding activities occurs due to the timing difference in the implementation of the projects. WMA investment property requires huge funding each year. As at 30 June 2018 immediate cash available is Rs 50.3m while Rs 453m have been funded for capital projects.

# Interest Obligation

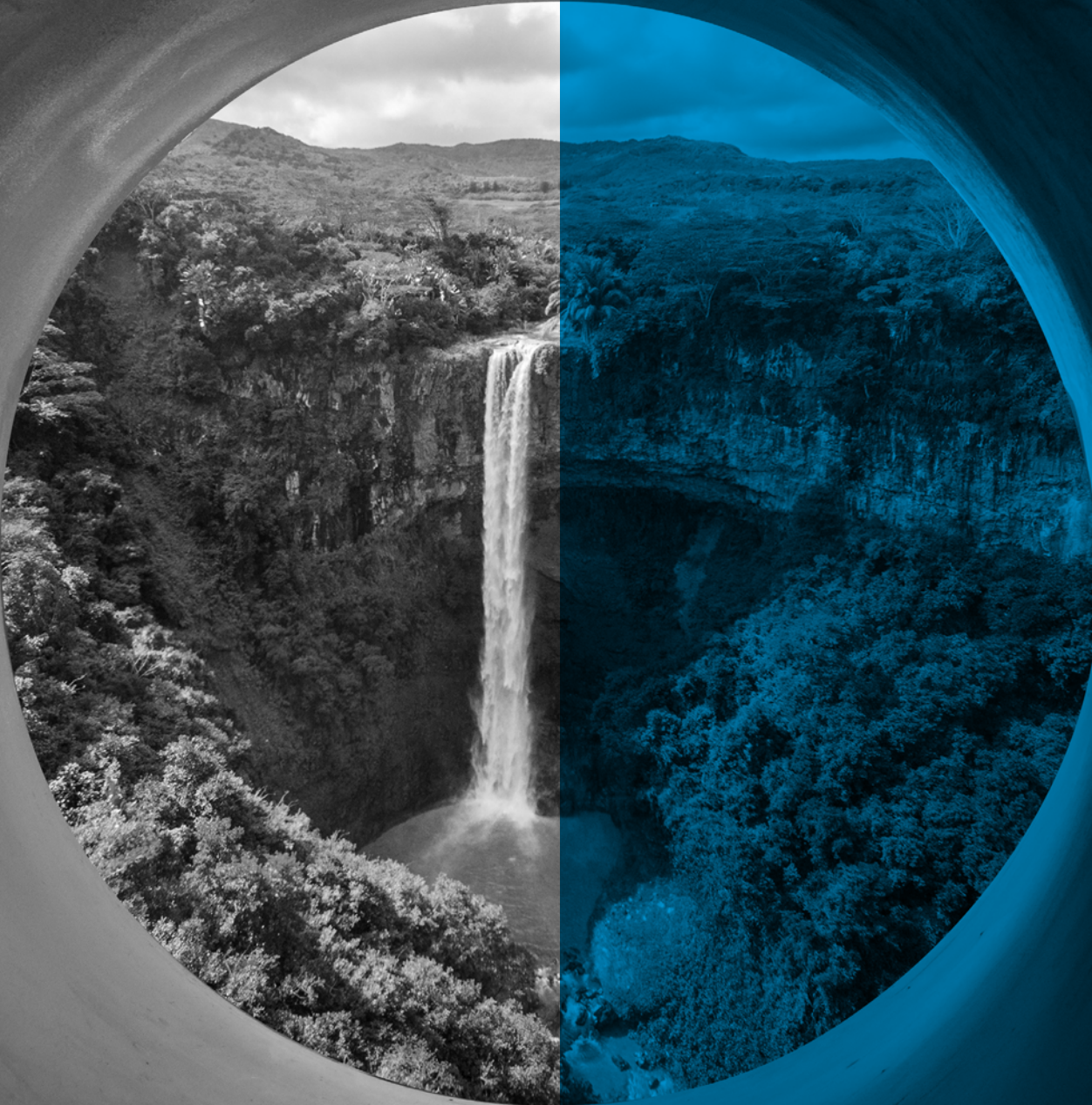
It has been observed from various analysis carried out by WMA, and it is a reality that the existing customer base and the rate at which house connection are being connected to the sewer network will not generate adequate income. WMA will continue to be unable to pay the capital repayment and interest obligation as and when it will be due. The total interest obligation is Rs 457m and repayment Rs 46.05m as at 30 June 2018.

# Operational Surplus

The operational and running cost of WMA have always been absorbed by its own sources of funds. The Authority is financially sustainable at the level of its operational and running expenditure. However the bottom line shows a deficit after absorbing the non-cash expenses and interest liabilities.



*Well-planned wastewater management helps to create a greener environment.*







## REPORT OF THE DIRECTOR OF AUDIT

**On the Financial Statements  
of the Wastewater Management Authority  
for the year ended 30 June 2018**

**NATIONAL AUDIT OFFICE**



## NATIONAL AUDIT OFFICE

### REPORT OF THE DIRECTOR OF AUDIT TO THE BOARD OF THE WASTEWATER MANAGEMENT AUTHORITY

#### Report on the Audit of the Financial Statements

#### Qualified Opinion

I have audited the financial statements of the Wastewater Management Authority, which comprise the statement of financial position as at 30 June 2018 and the statement of financial performance, 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 my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of my report, the accompanying financial statements give a true and fair view of the financial position of the Wastewater Management Authority as at 30 June 2018, and of its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards.

#### Basis for Qualified Opinion

##### *Trade and Other Payables - Rs 676,123,187*

A yearly User Fee is payable to Government for the use of service assets. As of 30 June 2017, User Fee owed by WMA to Government amounted to Rs 518.5 million and was shown under 'Trade and Other Payables'. The whole amount has been written off in 2017-18. Further, no provision was made for User Fee payable for the year 2017-18 amounting to Rs 71 million.

No approval was seen for the write off of the Rs 518.5 million, as well as for the waiving off of the User Fee for the financial year 2017-18.

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 Wastewater Management Authority 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 qualified opinion.

14<sup>th</sup> Floor, Air Mauritius Centre, John Kennedy Street, Port Louis – Mauritius  
Tel.: 212 2096-97/ 211 0882 Fax: (230) 211 0880



## Key Audit Matter

Key Audit 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.

In addition to the matter described in the Basis for Qualified Opinion section of my report, I have determined the matter described below to be key audit matter to be communicated in my report.

### **Investment in Projects - Rs 2,855,438,780**

Investment in projects includes projects funded by WMA as well as projects funded through loans from Government. As disclosed at note 6 to the financial statements, the carrying value of 'Investment in Projects' was Rs 2,855,438,780.

Payments made under projects, amounting to Rs 396,080,576, were examined.

The capitalisation policies regarding completed projects and borrowing costs were considered as a Key Audit Matter, as projects ran over more than one accounting period, involved significant amounts and required judgment in determining the timing of capitalisation from the status of 'Work In Progress' to 'Investment in Project'.

How my audit addressed the Key Audit Matter:

- A list of 'on-going' and 'projects completed during the period under review' was requested and a sample thereof was selected for thorough examination.
- Project Files and Payment Schedules were scrutinised to determine, amongst others, whether works were progressing as expected and all conditions of contract were being properly adhered to, prior to effecting payments.
- Verifications were carried out to ensure that all completed projects were transferred from 'Work In Progress' to 'Investment in Projects', together with the relevant borrowing costs.

## Emphasis of Matter

I draw attention to Notes 11 and 15 to the financial statements and the Statement of Changes in Equity.

### **Receivables and Prepayments - Rs 182,135,505**

The above figure is made up as follows: Rs 81.1 million receivable from domestic and non-domestic debtors (after impairment of Rs 128.2 million), Other Receivables of Rs 100.2 million and Deposits Receivable of Rs 0.8 million.

**Domestic and Non-Domestic Debtors** - Of the Rs 209.3 million, a total amount of Rs 104.6 million, representing 50 per cent, was due for more than 36 months. Some of these debts may not be recovered.

### **Long Term Loans - Rs 3,098,144,212**

Loans disbursed by Government to the WMA to implement sewerage projects, totalling some Rs 3.1 billion, were not repaid as of 30 June 2018. Interests payable thereon were some Rs 377.1 million, of which Rs 116.4 million related to the year ending 30 June 2018.

### **General Fund - (Rs 195,318,151)**

The General Fund as at 1 July 2017 showed a deficit of Rs 530 million. For the financial year ended 30 June 2018, deficit amounted to Rs 140.6 million. However, the General Fund as at 30 June 2018 was shown as being Rs 195.3 million. This figure was arrived at after a series of adjustments, comprising principally of a reversal of entry for User Fees of Rs 518.5 million which the WMA was not able to pay to Government due to severe liquidity issues.

My opinion is not modified in respect of these matters.

## Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report of the Wastewater Management Authority, 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.

## Corporate Governance Report

My responsibility under the Financial Reporting Act is to report on the compliance with the Code of Corporate Governance disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From my assessment of the disclosures made on corporate governance in the annual report, the Wastewater Management Authority has, pursuant to Section 75 of the Financial Reporting Act, complied with the requirements of the Code.

## 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 International Public Sector Accounting Standards, 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 Wastewater Management Authority'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 of overseeing the Wastewater Management Authority'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 Wastewater Management Authority'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 Wastewater Management Authority'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 Wastewater Management Authority 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 Wastewater Management Authority's operations are conducted in accordance with the provisions of 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 Board whether:

- (a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of the audit;
- (b) the Statutory Bodies (Accounts and Audit) Act and any directions of the Minister, in so far as they relate to the accounts, have been complied with;
- (c) in my opinion, and, as far as could be ascertained from my examination of the financial statements submitted to me, any expenditure incurred is of an extravagant or wasteful nature, judged by normal commercial practice and prudence;
- (d) in my opinion, the Wastewater Management Authority 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.

Based on my examination of the accounts of Wastewater Management Authority, nothing has come to my attention that indicates that:

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

#### ***Other Matter***

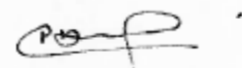
The Annual Report, including the financial statements of Wastewater Management Authority for the year ended 30 June 2018, was submitted on 12 October 2018.

Due to errors, these financial statements needed to be amended. Amended financial statements, approved by the Board of the Wastewater Management Authority were submitted to my Office on 8 July 2020 for verification and certification.

Wastewater Management Authority has complied with the Statutory Bodies (Accounts and Audit) Act and any directions of the Minister in so far as they relate to the accounts.

#### ***Public Procurement Act***

In my opinion, the provisions of Part V of the Act have been complied with as far as it appears from my examination of the relevant records.



**C. ROMOAH**  
Director of Audit

National Audit Office  
Level 14,  
Air Mauritius Centre  
PORT LOUIS

24 August 2020

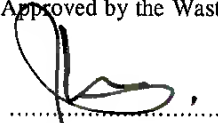
*Wastewater management can help  
reduce the greenhouse gas emissions.*






Statement of Financial Position as at 30 June 2018			
		Jul 17- Jun 18	Jan 16- Jun 17
			Restated (18 Mths)
ASSETS			
CURRENT ASSETS	Notes	Rs	Rs
Cash & Bank Balances	9	50,308,942	52,737,772
Short Term Investment		89,872,971	69,951,043
Receivables & Prepayments	11	182,135,505	192,497,725
Inventories & Work in Progress	10	579,851,193	552,743,859
Short Term Loan	8	2,810,685	2,841,478
TOTAL CURRENT ASSETS		904,979,296	870,771,877
NON CURRENT ASSETS			
Long Term Loan	8	7,626,006	7,902,415
Property, Plant & Equipment	5	104,694,936	84,369,116
Investment In Projects	6	2,855,438,780	2,561,584,911
Intangible Assets	7	11,036,487	-
		2,978,796,209	2,653,856,442
TOTAL ASSETS		3,883,775,505	3,524,628,319
LIABILITIES			
CURRENT LIABILITIES			
Trade & Other Payables	14	676,123,187	1,013,519,933
Short Term Employee Benefits	13	7,664,163	10,211,760
TOTAL CURRENT LIABILITIES		683,787,350	1,023,731,693
NON CURRENT LIABILITIES			
Long Term Loan( Capital Projects)	15	3,098,144,212	2,841,953,792
Retirement Benefit Obligations	12	138,615,014	142,771,456
Long Term Employee Benefits	13	44,051,721	40,682,825
TOTAL NON CURRENT LIABILITIES		3,280,810,947	3,025,408,073
TOTAL LIABILITIES		3,964,598,297	4,049,139,766
NET ASSETS		(80,822,792)	(524,511,447)
NET ASSETS/EQUITY			
General Fund		(195,318,151)	(529,716,434)
Revaluation Reserve	16	5,592,060	5,204,987
Equity & Shares Participation		108,903,299	-
TOTAL NET ASSETS /EQUITY		(80,822,792)	(524,511,447)

Approved by the Wastewater Management Authority on 6 July 2020 and signed on its behalf by:

  
(Chairman)

  
(Member)

The notes are on pages 71 to 116.

Statement of Financial Performance for the year ended 30 June 2018			
		Jul 17- Jun 18	Jan 16- Jun 17 Restated
		(12 Mths)	(18 Mths)
REVENUE	Notes	Rs	Rs
Wastewater Fees	21	425,161,255	588,876,919
Other Revenue		46,767,045	64,917,186
TOTAL REVENUE		471,928,300	653,794,105
EXPENSES			
Operation & Maintenance Costs	22	288,328,128	451,006,325
Administrative Costs		92,825,257	131,614,200
Commercial Costs		475,453	47,560,787
Finance Costs		116,611,132	207,677,264
Depreciation		114,312,066	92,667,849
TOTAL EXPENSES		612,552,036	930,526,425
Deficit for the year		(140,623,736)	(276,732,320)
Other Comprehensive Income			
Actuarial gain / (loss) on defined benefit plans		8,425,320	(13,707,802)
(Increase) / Decrease in revaluation reserve		387,073	2,494,637
Total Comprehensive Deficit		(131,811,343)	(287,945,485)

Statement of Changes in equity for the period ended 30 June 2018									
	Note	General Fund		Revaluation Reserve		Equity & Shares participation		Total	Jan 2016 - Jun 2017 Restated
		Jul 2017 - June 2018	Rs	Jul 2017 - June 2018	Rs	Jul 2017 - June 2018	Rs		
Balance as at 1 July			(529,716,434)	5,204,987	-		(524,511,447)		(268,622,690)
Changes in net assets/equity for the year 2017/2018	18								
Prior year expenses	18	(67,154,777)							(3,765,839)
Revenue for prior years		533,751,476							1,596,859
Net revenue/(expenses) recognised directly in net assets/equity			466,596,699				466,596,699		
Deficit for the year		(140,623,736)						(268,623,018)	
Actuarial gain/(loss) on defined benefit plans		8,425,320	(132,198,416)				(132,198,416)	(13,707,802)	
Received during the year					108,903,299		108,903,299		
Adjustment as per IPSAS 23									23,406,056
Increase/(Decrease) in revaluation				387,073			387,073		
Total recognised revenue/(expenses) for the period			334,398,283	387,073		108,903,299	443,688,655	(261,093,744)	
Balance at year end			(195,318,151)	5,592,060		108,903,299	(80,822,792)	(529,716,434)	

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018		
	Jul 17 - Jun 18	Jan 16 - Jun 17 (18 Mths) Restated
	Rs	Rs
Cash Flows from Operating Activities		
Surplus / (Deficit)	(140,623,736)	(276,732,320)
Adjustments for:		
Prior year adjustment	494,936,105	12,782,714
Depreciation / Amortisation	114,312,066	92,667,849
Revenue from Non Exchange Transactions	(9,278,565)	-
Increase in Long Term Provision for Employee Benefits	7,637,774	10,282,383
(Profit) / Loss on sale of asset	-	(2,810,658)
Gain on exchange	(495,034)	(1,097,774)
(Increase) / Decrease in inventories	(27,107,334)	822,497,570
Decrease in receivables	10,362,220	24,801,390
Increase / (Decrease)in payables	(339,944,343)	219,783,846
Net Cash Flows from Operating Activities	109,799,153	902,175,000
Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment	(30,792,741)	(32,749,427)
Investment in Projects	(396,080,576)	(1,550,228,427)
Proceeds from Sale of Property, Plant and Equipment	-	3,204,000
Proceed from sale of investment	140,000,000	328,793,600
Investment	(158,501,000)	(398,213,650)
Net Cash Flows from Investing Activities	(445,374,317)	(1,649,193,904)



Cash Flows From Financing Activities		
Loan granted to staff	(2,675,385)	(5,208,800)
Repayment of Loan by staff	2,982,587	5,449,224
Loan received from Government for Capital Projects	254,518,755	724,256,845
Funds received as Equity & Shares from Government for Capital Projects	78,320,377	-
Net Cash Flows From Financing Activities	333,146,334	724,497,269
Net increase / ( Decrease) in Cash and Cash Equivalents	(2,428,830)	(22,521,635)
Cash and Cash Equivalents at Start	52,737,772	75,259,407
Cash and Cash Equivalents at End (Note a)	50,308,942	52,737,772

Notes to the Cash Flow Statement

(a) Cash and Cash Equivalents

Cash and Cash equivalents consist of cash in hand and balance with bank and comprise the following statement of financial position amounts.

	July 2017 - June 2018	Jan 2016 - Jun 2017
	Rs	Rs
Cash at bank	50,308,092	52,736,922
Cash in hand	850	850
	50,308,942	52,737,772

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

1. LEGAL ENTITY

The Wastewater Management Authority (WMA) has been established as a body corporate under the Wastewater Management Authority Act 2000, No 39, enacted on the 30th August 2001.

2. ENTITY OPERATION

The WMA is responsible for all matters relating to collection, treatment and disposal of wastewater. It operates under the aegis of the Ministry of Energy and Public Utilities with specific functions. The WMA has been entrusted with the responsibility to construct infrastructure assets through an instrument, namely the "Convention de Maitrise D'Ouvrage Delegee". Once any particular project is completed and the works are handed to the Government, the latter will entrust the operation and maintenance of these works to WMA through another instrument called "Contrat de Delegation".

2.1 DOMICILE ADDRESS

Activities of WMA are spread over Mauritius and its main office address is The Celicourt, Celicourt Antelme Street, Port Louis.

3. BASIS OF PREPARATION

3.1 STATEMENT OF COMPLIANCE

In the previous year, WMA had adopted International Financial Reporting Standards (IFRS) and Interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that were relevant to its operations.

Following amendments carried out to the Statutory Bodies (Accounts & Audit) Act and the Financial Reporting Act made in the Finance (Miscellaneous Provisions) Act 2017, henceforth the WMA has to prepare its Financial Statements under accrual International Public Sector Accounting Standards (IPSAS) as from Financial Year 2017/18.

3.2 GOING CONCERN

The Financial Statements have been prepared on a going-concern basis.

3.3 ADOPTION OF INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS (IPSAS) BY THE WMA

WMA has adopted the International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB) that is relevant to its operations and effective for accounting period beginning on/or 2017.

3.4 FIRST TIME ADOPTION 2011

First time WMA adopted IPSAS was in the year 2011.

Break Adoption of IFRS

The Financial Statements for the period 2013 to 2017 were prepared in accordance to IFRS.

3.4.1 IPSAS 33 - FIRST TIME ADOPTION OF ACCRUAL BASIS IPSAS

Statement of Reconciliation of Net Assets/Equities

A first time adopter has to present in the notes to its transitional IPSAS financial statements or its first financial statements a reconciliation of its net assets/equities reported in accordance with its previous basis of accounting to its opening balance of net assets/equities at the date of adoption of IPSAS.

Reconciliation of Net Assets / Equities	
	Rs
Balance as at 30 June 2017 as per IFRS	(557,177,141)
Deficit for the period January 2016 to June 2017	(268,622,690)
Movement for the year	(2,168,980)
Actuarial loss for the year	(13,707,802)
Capital Grant and Deferred Income	23,406,056
Deficit for the year	(268,623,018)
Balance as at 30 June 2017 as per IPSAS	(529,716,434)

Statement of Reconciliation of Surplus/Deficit

A first time adopter has to present in the notes to its transitional IPSAS financial statements or its first IPSAS financial statements a reconciliation of its surplus or deficit in accordance with its previous basis of accounting to its opening balance of surplus or deficit at the date of adoption of IPSAS.

Reconciliation of Surplus/Deficits	
	Rs
Deficit for the year 2017 as per IFRS	(272,677,669)
Less	
Amortisation of Government Grant	4,054,651
Deficit for the year 2017 as per IPSAS	(268,623,018)

Explanations

Assets and stock items received from capital projects were previously credited to the grant for financing of capital expenditure by the Government in the Statement of Financial Position.

Amortisation of Deferred Income was being previously recognized in the Statement of Financial Performance based on the expected remaining useful economic lives of the related assets on a basis consistent with its depreciation policy.

Following adoption of IPSAS 23, all these balances are either accounted for in the Statement of Financial Performance or Statement of Changes in Net Assets / Equity.

4. CONTROLLING ENTITIES

The Ministry of Energy and Public Utilities as the Parent Ministry has the power to delegate WMA to act on its behalf to construct and to operate public sewer network throughout Mauritius. The Ministry of Finance and Economic Development is another entity that controls the activities of WMA by funding all the capital projects under PSIP. The total amount of loan disbursed to the Authority is Rs 3.098bn and the accrued interest is Rs 377.16 m. The total amount of investment in network sewer with respect to the loan is Rs 3.098 bn. However, the assets under controlled of the Authority are Rs18.3bn. The operational and financial activities started on September 2001.

Economic Dependency-Government

The Authority is dependent on the parent Ministry for the revenue generation. The regulation provide tariffs for the Wastewater Charges. All other revenues are determined by the law and governed by the regulations, for instance, licensing and disposal of effluent. The total income generated for the reporting period amount to Rs471.9m and the relationship is such that if the revenue is not generated, this would expose the Authority to high risk profile.

Economic Dependency-CWA

Another economic entity which supports the activities of WMA is the Central Water Authority (CWA). The billing system of the reporting entity is carried out by the CWA as per WMA and CWA Act. The cash collection is based on a Joint Memorandum with the predefined cash payout and a service fee as commission.

Economic Dependency-CWA Pipe lines

As per records available, it is possible to identify a clear relationship between WMA and CWA with respect to pipe layering in areas for common projects.

4.1 REPORTING PERIOD

The current reporting period is 12 months for the Financial Statements ending 30 June 2018 while the last accounting period relates to a period of 18 months ending 30 June 2017.

4.2 REPORTING CURRENCY (Rs)

The WMA Financial Statements are presented in Mauritian Rupees and any foreign transactions are converted to rupees and differences recorded as gain or losses in exchange rate.



4.3 STANDARDS ISSUED AND APPLICABLE IN THE PREPARATION OF FINANCIAL STATEMENT

IPSAS	Particulars	Effective Year	WMA Second Adoption
IPSAS 1	Presentation of Financial Statements	2008	2017
IPSAS 2	Cash Flow Statements	2008	2017
IPSAS 3	Accounting Policies, Changes in Accounting Estimates and Errors	2008	2017
IPSAS 4	The Effects of Changes in Foreign Exchange Rates	2010	2017
IPSAS 5	Borrowing Costs	2001	2017
IPSAS 9	Revenue from Exchange Transactions	2002	2017
IPSAS 11	Construction Contracts	2001	2017
IPSAS 12	Inventories	2008	2017
IPSAS 14	Events after the Reporting Date	2008	2017
IPSAS 16	Investment Property	2008	2017
IPSAS 17	Property, Plant and Equipment	2008	2017
IPSAS 19	Provisions, Contingent Liabilities and Contingent Assets	2004	2017
IPSAS 20	Related Party Disclosures	2004	2017
IPSAS 21	Impairment of Non-Cash-Generating Assets	2006	2017
IPSAS 24	Presentation of Budget Information in Financial Statements	2009	2017
IPSAS 26	Impairment of Cash-Generating Assets	2009	2017
IPSAS 31	Intangible Assets	2011	2017
IPSAS 33	First-time Adoption of Accrual Basis IPSASs	2017	2017
IPSAS 23	Revenue from Non Exchange Transactions	2018	2017
IPSAS 39	Employee Benefits	2018	2017

4.3.1 ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

At the date of preparation of these Financial Statements, the following standards, amendments to existing standards and interpretations were in issue but not yet effective. They are mandatory for accounting periods beginning on the specified dates, but the WMA has not early adopted them except IPSAS 39-Employee Benefits which has been early adopted.

New or revised standards and interpretations

IPSAS	Pronouncement	Effective Date
IPSAS 39	Employee Benefits	01 January 2018
IPSAS 40	Public Sector Combination	01 January 2019
IPSAS 41	Financial Instruments	01 January 2022

4.4 ACCOUNTING POLICIES

Property, Plant and Equipment (PPE)

The initial recognition of PPE is at cost which includes all necessary cost to get the assets ready for its intended use. Subsequent accounting transactions are determined by the carrying value, depreciation charged and any impairment loss/gain. Depreciation is charged to WMA books on a full basis in the month the assets are brought into its intended use and none in the month of disposal as from the year July 2018. Land, Building, Pumping Stations and Treatment Plant presently used by WMA for its operational activities are owned by the Government. Assets not in use amounting to Rs 30.4m disclosed in additions at note 5, have not been depreciated.

4.5 THE ANNUAL DEPRECIATION IS AS FOLLOWS:

Asset Classification	Depreciation Rate
Office & O&M Equipment	10-20%
Furniture & Fixtures	20%
Motor Vehicles	10-20%
Building	40 yrs
Projects- Consultancy	20%
- Civil Works (90%)	2.5%
- Mechanical & Electrical (10%)	6.67%

No Depreciation is charged in the month of disposal, so far assets received from Government are treated as revenue from Non Exchange Transactions in the accounts.

4.6 DERECOGNITION

The PPE carrying must be derecognised:

- 1) On disposal
- 2) No future economic benefits
- 3) Reach economic life and unserviceable

4.7 IMPAIRMENT OF PPE

At each reporting date, the Authority reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the carrying amount is greater than recoverable amount and the losses are recognised in the books of WMA. No impairment tests have been carried out in the current accounting period.

4.8 INTANGIBLE ASSETS

Intangible assets are carried at cost less accumulated amortisation and impairment losses. Computer software costs are the main items and are recognised as intangible assets for WMA and or assets developed or created by WMA.

- Software cost for E-Leaves
- Roche Bois Voucher System and DRU
- CRM - PR
- ERP
- Attendance System

The cost shall be identifiable and separable in the process assets and are created and developed so that it will generate future economic benefits.

4.9 REVALUATION OF PPE

PPE are revalued by internal or external valuer every 3 to 5 years. Increase in carrying amount of a class of assets is credited directly to revaluation surplus or deficit.

On retirement or disposal of a revalued asset, the whole revaluation surplus in respect to that asset is transferred directly to surplus or deficit.

4.10 INVENTORIES

Inventories are required to be measured at the lower of cost and net realisable value or in absence of net realisable value, the replacement cost. WMA inventory items are:

- Office Consumables
- Chemical products
- Health & Safety Equipments
- Spare Parts
- Return from Projects (Unusable)
- Manhole Covers
- Pipelines
- Other Items

4.11 REVENUE RECOGNITION

Revenue recognitions are based on exchange and non-exchange transactions and recognized on an accrual basis.

The prescribed accounting treatment for revenue recognition from exchange transactions, services and events as per IPSAS 9 are as follows:

- Rendering of services
- Sales of goods
- Use of other assets yields interest

Revenue is to be measured on accrual basis considering recurrent or receivable. The amount of revenue can be measured reliably.

Revenue Recognition Principles

Revenue	Recognition
Wastewater Charges	Rate as per regulation/Accrual less commission
Licence Fees	Actual when license issued
Disposal of Waste	As per regulation/Accrual basis
Interest	Accrual basis, pro rata to yield period
Other Income	Cash/Accrual basis

Assets and revenue arising from transfer transactions are recognized in accordance with the requirements of IPSAS 23- Revenue from Non- Exchange Transactions. It includes mainly grants received from Capital projects funded by the Government.

4.12 EMPLOYEES BENEFITS

Employee benefits are recognised in period the entity receives the services from the employees rather than when the benefits are paid or payable.

The employee benefits cover a short term benefit that is to be settled within a year or 12 month after the services are rendered and recognised as expenses in the period in which an employee renders the services.

Employees Benefits

Employee Benefits	Treatment	
	Short Term Benefits	Long Term Benefits
1. Sick Leave	Expenses	Liabilities
2. Passage Benefit	Expenses	Liabilities
3. Vacation Leave	Expenses	Disclose
4. Travelling Allowance	Expenses	No liabilities
5. Car Loan	Payable within 1 year	Payable more than 1 year

4.13 DEFINED CONTRIBUTION PLAN

WMA has adopted the defined contribution plan for all permanent and pensionable members of staff who joined the Authority as from January 2013. Defined contribution plan is a pension plan where WMA contributes 12% and the staff 6%. The benefits depend of the contributions and benefits attributed to plan in terms of profit/interest. WMA shall disclose the total amount of contribution for year and amount accumulated.

4.14 PROVISION FOR RETIREMENT BENEFITS

The Authority contributes to a pension scheme, which is a "Defined Benefit" plan. The assets of the fund are held independently and administered by the State Insurance of Mauritius Ltd (SICOM).

The amount for present value of the defined benefit obligation as adjusted for unrecognised past service costs and reduced by the fair value of plan assets is recognised in the Statement of Financial Position as at 30 June 2018.

The actuarial net gains and losses are recognised as income or expenditure under the corridor approach if cumulative unrecognised actuarial gains and losses at the end of the previous financial year exceed the greater of: 10 percent of the present value of the defined benefit obligations at the beginning of the year and 10 percent of the fair value of the plan assets at the same date.

4.15 CONTRIBUTIONS TO THE NATIONAL PENSION SCHEME

The contributions of the National Pension Scheme on behalf of temporary and contract employees are expensed in the Statement of Financial Performance in the period in which they fall due.

4.16 PASSAGE BENEFITS

The cummulative passage benefits are treated as liabilities and the amount for the current year treated as expenses. WMA's officers earned passage benefits as per conditions stipulated by PRB.



4.17 SICK LEAVES

WMA's employees holding a substantive post earn sick leaves during their length of service.

- 21 working days' full pay sick leave every calendar year;
- Untaken sick leave at the end of the year is accumulated in a bank of sick leave up to a maximum of 110 days;
- When the "bank" maximum has been reached, a maximum of 16 unutilised days , out of the annual entitlement of 21 working days, is paid in cash at the rate of 1/22 of monthly salary per day;
- On retirement, sick leave accumulated in bank may either be cashed in full, computed on the officer's retiring salary at the rate of 1/22 of monthly salary per day, or taken as leave prior to retirement, to be reckoned against working days;
- In case of resignation from employment, officers are paid the total value (100%) of accumulated sick leave, if any; and
- On the demise of an officer, the total value (100%) of accumulated sick leave is paid to the heir(s).

The current sick leaves earnings are treated as expenses and the bank balances as liabilities in the books of WMA.

4.18 VACATION LEAVES

The vacation leave provision for WMA's employees on the permanent and pensionable establishment is as follows:

Vacation Leaves Entitlement

Length of service (in years)	Leave Earning Rate per Annum (in days)	Maximum leave that can be accumulated (in days)
Up to 5	25	105
5+ to 10	30	140
10+ to 15	35	175
Over 15	35	210

The liabilities are unknown at the time of reporting the events. The employee has the option to forfeit the vacation at anytime on the approval of the employer. Amount as at 30 June 2018 is Rs 36,646,201.

4.19 CAR LOAN

WMA's officers are entitled for car loan as per PRB and staffs carrying out field duty for convenience are also allowed to gain from such benefits on the following terms:

- Amount of loan prescribed
- Payable within
- Interest 4%& 4.65%

The interest is recognised as revenue and the amount outstanding for car loan as receivable. The amount of loan repayable is shown on the face of the Financial Position within one year and advance payable more than one year as non-current asset.

4.20 TRAVELLING AND CAR BENEFITS

Travelling by bus, travelling allowances and car benefits are major elements of travelling benefits paid to the employees of WMA. The following employees' benefits under the above categories are:

Benefits	Impact / Treatment
1. Duty Exemption	-
2. Loan Benefits	Short Term/ Long Term Receivable
3. Travelling by Bus	Expense
4. Travel Grant & Travelling Allowance	Expense
5. Interest Benefits	Revenue

4.21 DUTY EXEMPTION

Officers who have reached defined salary scale or due to their duties are entitled to duty remission. This benefit is one off and automatic and has no liability to carry in the books of WMA.

4.22 MOTOR VEHICLES/ CYCLE LOAN

Officers are entitled to car loan or, and to cycle loan at the rate prescribed by the PRB. On disbursement of the loan, the Authority has created long term and short term receivables which are disclosed as WMA financial assets.

4.23 TRAVELLING ALLOWANCES, OTHER TRAVEL EXPENSES

Travelling allowances, travel grants and refund of travelling are treated as benefits to employees and expenses to WMA accounts.

4.24 RELATED PARTIES

The Financial Statements shall disclose the existence of related party relationships and transactions between WMA and related parties. The related parties that control or have significant influence over the WMA:

Revenue Recognition Principles

Related Parties	Interest	Influence
Ministry of Energy and Public Utilities	Delegated power to WMA	None
Ministry of Finance and Economic Development	None	Funding Project
Individual	None	None

Any entity or individual having related party transaction shall be disclosed and its impact measured in financial terms.

4.25 PRESENTATION OF BUDGET

Public Bodies running its operational and financial activities with public funds have to ensure that they comply with the approved budgets and at the same time, prepare the Financial Statements on the same basis.

Preparation of Financial Statements

Budget Items	Funding	Budget Holder	Approved By
Recurrent Revenue	WMA	WMA	Minister
Recurrent Expenditure	WMA	WMA	Minister
Capital Expenditure - WMA	WMA	WMA	Minister
Capital Expenditure <ul style="list-style-type: none"><li>Public Infrastructure</li><li>House Connection</li><li>Other Project</li></ul>	Government of Mauritius	WMA	National Assembly

4.26 APPROVED BUDGET

WMA recurrent budget is absorbed through its own fund to operate its operational and financial activities. The said budget is approved by the WMA Board and there after approval of the Minister is obtained while for the capital projects, it is approved at the National Assembly.

4.27 REVISED BUDGET

The revised budget is the results of actual amount spent and the remaining forecast at end of the financial year. At this locus point the budget owner can reengineer its budget based on the update of facts available.

4.28 COMPARED APPROVED BUDGET WITH REVISED BUDGET

- The first variation or deviation from the approved budget shall be disclosed and explained.
- Disclose the capital efficiency planning by type and overall.

4.29 COMPARED REVISED BUDGET WITH ACTUAL BUDGET

- Compute the variances
- Explanation and justification of the variances
- Remedial action thereof
- Disclose the capital efficiency spending by category and overall

4.30 RECONCILE WITH FINANCIAL STATEMENT

- Reconcile the actual amount spent with the amount shown in the Financial Statement

4.31 PROVISIONS

A provision is recognised if, as a result of past event, the Authority has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

4.32 REPORT MATERIAL ELEMENT AFTER REPORTING DATE

WMA is to report any fundamental element occurring after the reporting date and to disclose if any other transactions that are less likely to have an impact on the reporting entity.

4.33 APPROVED BUDGET V/S REVISED BUDGET

Approved Budget v/s Revised Budget - 01 July 2017 to 30 June 2018			
Capital Projects	Approved Budget	Revised Budget	Variance (Rev.- APP.)
Plaines Wilhems Sewerage Project	147,000,000	187,970,000	40,970,000
Kensington Pte Aux Sables works	56,000,000	31,450,000	(24,550,000)
Verger Bissambar Sewerage Project	3,230,000	3,190,000	(40,000)
Rehabilitation in CHA Estates	310,000	260,000	(50,000)
Cite Marcel Cabon	300,000	320,000	20,000
House Service Connections	50,000,000	36,220,000	(13,780,000)
Upgrading of Wastewater Infrastructure	96,160,000	61,620,000	(34,540,000)
Total Funded By Loan	353,000,000	321,030,000	(31,970,000)
Pailles Guibies Sewerage Project	322,950,000	57,680,000	(265,270,000)
Grand Baie Sewerage Project	224,170,000	-	(224,170,000)
Rehabilitation in CHA Estates	140,880,000	80,830,000	(60,050,000)
Tranquebar/Vallee des Pretres	48,000,000	51,620,000	3,620,000
Projects approved in 2016/2017	93,000,000	59,960,000	(33,040,000)
New Projects 2018/19	18,000,000	1,900,000	(16,100,000)
Total Funded By Equity	847,000,000	251,990,000	(595,010,000)
Total Budget Approved	1,200,000,000	573,020,000	(626,980,000)



4.34 REVISED BUDGET V/S ACTUAL - 01 JULY 2017 TO 30 JUNE 2018

Capital Projects	Revised Budget	Actual	Variance (Rev.-Act.)
Plaines Wilhems Sewerage Project	187,970,000	184,573,919	3,396,081
Kensington Pte Aux Sables works	31,450,000	25,481,644	5,968,356
Verger Bissambar Sewerage Project	3,190,000	3,187,942	2,058
Rehabilitation in CHA Estates	260,000	-	260,000
Cite Marcel Cabon	320,000	318,060	1,940
House Service Connections	36,220,000	28,975,287	7,244,713
Upgrading of Wastewater Infrastructure	61,620,000	26,112,046	35,507,954
Total Funded By Loan	321,030,000	268,648,898	52,381,102
Pailles Guibies Sewerage Project	57,680,000	44,207,293	13,472,707
Grand Baie Sewerage Project	-	-	-
Rehabilitation in CHA Estates	80,830,000	60,331,932	20,498,068
Tranquebar/Vallee des Pretres	51,620,000	25,555,970	26,064,030
Projects approved in 2016/2017	59,960,000	20,895,147	39,064,853
New Projects 2018/19	1,900,000	-	1,900,000
Total Funded By Equity	251,990,000	150,990,342	100,999,658
Total	573,020,000	419,639,240	153,380,760

4.35 REVENUE: APPROVED BUDGET V/S REVISED ESTIMATES 2017/18

Items	Approved Budget	Revised Estimates	Variance
	2017/2018	2017/2018	17/18
	Rs	Rs	Rs
Domestic Tariff	158,911,000	165,071,000	6,160,000
Non-Domestic Tariff	235,000,000	247,090,000	12,090,000
Sub_Total (A)	393,911,000	412,161,000	18,250,000
Surcharge	3,939,200	4,768,100	828,900
Sale of Tender Documents	70,000	252,500	182,500
Tanker License Fees	960,000	960,000	-
Bank Interest Receivable, Interest on car loan	2,120,000	2,120,000	-
Sundry Income	1,000,000	1,087,800	87,800
Verification of design of sewer, treatment plant & disposal system	57,600	66,400	8,800
Clearing blockages	250,000	250,000	-
Disposal of wastewater in treatment plant	22,500,000	23,189,200	689,200
Clearance for building permit	2,000,000	2,221,800	221,800
Attendance to meeting & site visit	20,000	8,000	(12,000)
Witnessing of percolation test	56,000	56,000	-
Wastewater clearance for morcellement	1,900,000	1,961,000	61,000
Project Capital fees-2 %	23,805,400	-	(23,805,400)
Gain on foreign Exchange	1,500,000	968,800	(531,200)
Rent received	522,250	522,240	(10)
Sub-Total (B)	60,700,450	38,431,840	(22,268,610)
Total Revenue (A+B)	454,611,450	450,592,840	(4,018,610)

4.36 REVENUE: REVISED BUDGET V/S ACTUAL BUDGET 2017/18

Items	Revised Estimates	Actual	Variance Rev-Act
	2017/2018	2017/2018	
	Rs	Rs	Rs
Domestic Tariff	165,071,000	172,321,618	(7,250,618)
Non-Domestic Tariff	247,090,000	252,839,637	(5,749,637)
Sub_Total (A)	412,161,000	425,161,255	(13,000,255)
Surcharge	4,768,100	5,946,250	(1,178,150)
Sale of Tender Documents	252,500	431,500	(179,000)
Tanker License Fees	960,000	900,000	60,000
Bank Interest Receivable, Interest on car loan	2,120,000	1,421,452	698,548
Sundry Income	1,087,800	1,126,668	(38,868)
Verification of design of sewer, treatment plant	66,400	44,200	22,200
Clearing blockages	250,000	178,008	71,992
Sale of treated effluent- Choisy	-	562,170	(562,170)
Disposal of wastewater in treatment plant	23,189,200	22,266,760	922,440
Clearance for building permit	2,221,800	1,719,922	501,878
Attendance to meeting & site visit	8,000	4,200	3,800
Witnessing of percolation test	56,000	28,700	27,300
Wastewater clearance for morcellement	1,961,000	1,841,376	119,624
Revenue from Non Exchange Transactions	-	9,278,565	(9,278,565)
Gain on foreign Exchange	968,800	495,034	473,766
Rent received	522,240	522,240	-
Sub-Total (B)	38,431,840	46,767,045	(8,335,205)
Total Revenue (A+B)	450,592,840	471,928,300	(21,335,460)

4.37 STATEMENT SHOWING RECONCILIATION OF ACTUAL CASH FLOWS WITH FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2018

Revenue	Rs
Opening Balance	32,699,237
Actual amount received	382,078,790
Closing Balance	57,150,273
As per Financial statement	471,928,300

4.38 APPROVED BUDGET V/S REVISED BUDGET 2017/18

Description of items	Approved Estimates	Revised Estimates	Variance Rev.-Actual
	Jul 17 - June 18	Jul 17 - June 18	
	Rs	Rs	Rs
A. STAFF AND RELATED COSTS			
Salaries and Wages	153,207,800	131,881,600	(21,326,200)
Travelling and transport	23,172,500	18,908,500	(4,264,000)
Welfare / Occ. Health safety, and Staff welfare	3,665,000	3,230,000	(435,000)
Overtime	23,625,000	15,070,000	(8,555,000)
Staff training	1,500,000	1,125,000	(375,000)
Uniforms & protective equipment	3,345,000	2,037,500	(1,307,500)
End-of-Year Bonus	12,745,500	10,229,200	(2,516,300)
Allowances-Staff	10,066,600	9,048,500	(1,018,100)
Air Passage Benefits	5,543,100	5,331,900	(211,200)
Refund of vacation leave	1,328,800	935,800	(393,000)
Sick Leave Pay	6,938,200	5,474,900	(1,463,300)
Pensions - SICOM	14,828,500	13,570,800	(1,257,700)
Gratuity	1,280,700	495,400	(785,300)
Contribution EWF,NSF,NPS,LEVY	5,841,700	5,046,900	(794,800)
TOTAL STAFF AND RELATED COSTS	267,088,400	222,386,000	(44,702,400)



4.39 APPROVED BUDGET V/S REVISED BUDGET 2017/18 (CTD)

Description of items	Approved Estimates	Revised Estimates	Variance Rev. - Actual
	Jul 17 - June 18	Jul 17 - June 18	
	Rs	Rs	Rs
B. OTHER RECURRENT EXPENSES			
Fees to Board Members	3,600,000	3,600,000	-
Postage	400,000	545,000	145,000
Telephone	2,990,500	2,470,800	(519,700)
Rent of Office	15,028,500	15,028,500	-
Electricity Charges	55,420,000	58,540,000	3,120,000
Water Charges	1,206,400	895,600	(310,800)
Printing and Stationary	1,545,000	1,797,000	252,000
Security Services	6,238,100	6,173,500	(64,600)
Maintenance of Plant, Equipment &WW System	9,201,000	7,496,000	(1,705,000)
Maintenance of Building	565,000	673,000	108,000
Repairs and maintenance of Vehicles	5,700,000	6,500,000	800,000
Petrol and diesel	6,200,000	4,238,000	(1,962,000)
Licenses and fitness	1,597,900	1,773,800	175,900
Insurance of Vehicles	2,343,000	1,450,000	(893,000)
Contract and other Operating Agreements	2,948,900	1,460,100	(1,488,800)
Seminars & Hospitality	257,000	324,000	67,000
Advertising Expenses	560,000	663,000	103,000
Books, Periodicals & Library Costs	147,000	167,300	20,300
Legal Fees & damages	6,850,000	4,750,000	(2,100,000)
Audit Fees	275,000	275,000	-
Consultancy Services	124,000	424,000	300,000
Office Expenses	1,202,000	814,000	(388,000)
Fees for Collection of revenue	6,100,000	6,300,000	200,000
Bank Charges	174,500	170,800	(3,700)
Other Insurance and allied charges	700,000	725,800	25,800
Laboratory Expenses	1,500,000	500,000	(1,000,000)
Miscellaneous	27,000	17,000	(10,000)
Medical Scheme	1,319,760	2,442,000	1,122,240
Running of St Martin Treatment Plant	46,000,000	47,000,000	1,000,000
Chemicals	2,070,000	1,250,000	(820,000)

4.39 APPROVED BUDGET V/S REVISED BUDGET 2017/18 (CTD)

Description of items	Approved Estimates	Rev Estimates	Variance Rev- Act
	Jul 17- Jun 18	Jul 17- Jun 18	
	Rs	Rs	Rs
OTHER RECURRENT EXPENSES			
Parking	300,000	300,000	-
Annual Report	410,000	410,000	-
Repairs of sewer, raising of manhole & excavation works	513,000	225,000	(288,000)
Corporate Social Responsibility	-	-	-
Wayleave expenses	116,000	111,000	(5,000)
PR activities	200,000	95,000	(105,000)
Sub -Total	183,829,560	179,605,200	(4,224,360)
TOTAL RECURRENT EXPENDITURE	450,917,960	401,991,200	(48,926,760)
C. NON FINANCIAL ASSETS			
Purchase of Vehicles	20,000,000	7,250,000	(12,750,000)
Purchase of Equipment for O&M / M&E	17,290,000	12,407,000	(4,883,000)
Telephone / PABX	8,000,000	8,292,900	292,900
Integrated IT- Softwares & Hardwares	11,343,000	7,595,700	(3,747,300)
Office & Health & safety Equipment	890,000	760,000	(130,000)
Cellular Phones	35,000	58,000	23,000
Fans / Air Conditioners	375,000	99,000	(276,000)
Improvement to Building / Sewer System	9,400,000	6,051,000	(3,349,000)
Office Furniture & Fixtures	1,150,000	626,000	(524,000)
Waterproofing at sub-office	800,000	-	(800,000)
Purchase of manhole covers, tools & Accessories	150,000	-	(150,000)
Land Survey Total station & Surveying Equipment / GPS	2,500,000	100,000	(2,400,000)
Laboratory Equipment	-	50,000	50,000
Supply & installation of roller shutters / Burglar Proofing	400,000	-	(400,000)
Special Tools for St Martin	20,609,800	16,480,100	(4,129,700)
TOTAL NON FINANCIAL ASSETS	92,942,800	59,769,700	(33,173,100)
FINANCIAL ASSET- LOAN TO STAFF	8,063,050	3,300,000	(4,763,050)
GRAND TOTAL	551,923,810	465,060,900	(86,862,910)

4.40 REVISED V/S ACTUAL 2017/18 (CTD)

Description of items	Revised Estimates	Actual	Variance Rev-Act
	Jul 17 - June 18	Jul 17 - June 18	
	Rs	Rs	Rs
A. STAFF AND RELATED COSTS			
Salaries and Wages	131,881,600	128,672,031	3,209,569
Travelling and transport	18,908,500	18,584,915	323,585
Welfare/Occ. Health safety, and staff Welfare	3,230,000	2,786,039	443,961
Overtime	15,070,000	14,484,985	585,015
Staff training	1,125,000	378,890	746,110
Uniforms & protective equipment	2,037,500	2,403,284	(365,784)
End-of-Year Bonus	10,229,200	10,107,717	121,483
Allowances-Staff	9,048,500	8,839,688	208,812
Air Passage Benefits	5,331,900	4,336,138	995,762
Refund of vacation leave	935,800	596,725	339,075
Sick Leave Pay	5,474,900	5,660,934	-186,034
Pensions -SICOM	13,570,800	13,112,908	457,892
Gratuity	495,400	473,947	21,453
Contribution EWF,NSF,NPS,LEVY	5,046,900	4,727,622	319,278
TOTAL STAFF AND RELATED COSTS	222,386,000	215,165,823	7,220,177

4.40 REVISED V/S ACTUAL 2017/18 (CTD)

Description of items	Revised Estimates	Actual	Variance Rev-Act
	Jul 17 - June 18	Jul 17 - June 18	
	Rs	Rs	Rs
B. OTHER RECURRENT EXPENSES			
Fees to Board Members	3,600,000	3,247,975	352,025
Postage	545,000	499,705	45,295
Telephone	2,470,800	1,767,067	703,733
Rent of Office	15,028,500	13,776,125	1,252,375
Electricity Charges	58,540,000	51,926,024	6,613,976
Water Charges	895,600	698,541	197,059
Printing and Stationary	1,797,000	1,864,671	-67,671
Security Services	6,173,500	3,645,875	2,527,625
Maintenance of Plant ,Equipment	7,496,000	3,511,612	3,984,388
Maintenance of Building	673,000	67,363	605,637
Repairs and maintenance of Vehicles	6,500,000	4,756,770	1,743,230
Petrol and diesel	4,238,000	2,441,448	1,796,552
Licenses and fitness	1,773,800	1,694,937	78,863
Insurance of Vehicles	1,450,000	1,452,245	(2,245)
Contract & Other Operating Agreement	1,460,100	880,583	579,517
Seminars & Hospitality	324,000	292,721	31,279
Advertising Expenses	663,000	739,417	(76,417)
Books, Periodicals & Library Costs	167,300	112,836	54,464
Legal Fees & damages	4,750,000	4,043,339	706,661
Audit Fees	275,000	-	275,000
Consultancy Services	424,000	51,865	372,135
Office Expenses	814,000	759,042	54,958
Fees for Collection of revenue	6,300,000	6,066,898	233,102
Bank Charges	170,800	202,723	(31,923)
Other Insurance and allied charges	725,800	617,957	107,843
Laboratory Expenses	500,000	636,559	(136,559)
Miscellaneous	17,000	600	16,400
Interest payable	126,120,000	-	126,120,000
Medical Scheme	2,442,000	2,183,096	258,904
Running of St Martin Treatment Plant	47,000,000	38,116,890	8,883,110



4.40 REVISED V/S ACTUAL 2017/18 (CTD)

Description of items	Revised Estimates	Actual	Variance Rev-Act
	Jul 17 - Jun 18	Jul 17 - Jun 18	
	Rs	Rs	Rs
OTHER RECURRENT EXPENSES			
Chemicals	1,250,000	424,084	825,916
Parking	300,000	269,685	30,315
Annual Report	410,000	0	410,000
Repairs of sewer, raising of manhole & excavation works	225,000	148,593	76,407
Corporate Social Responsibility	-	-	-
Wayleave expenses	111,000	73,000	38,000
PR activities	95,000	37,150	57,850
Committee- Adhoc fees	-	-	-
Technical Assistance	-	-	-
O&M of NHDC sites	-	-	-
User fee	-	-	-
Sub -Total	305,725,200	147,007,396	157,926,115
TOTAL RECURRENT EXPENDITURE	528,111,200	362,173,224	165,766,890

4.40 REVISED V/S ACTUAL 2017/18 (CTD)

Description of items	Revised Estimates	Actual	Variance Rev-Act
	Jul 17 - June 18	Jul 17 - June 18	
	Rs	Rs	Rs
C. NON FINANCIAL ASSETS			
Purchase of Vehicles	7,250,000	7,037,300	212,700
Purchase of Equipment for O&M / M&E	12,407,000	3,465,930	8,941,070
Telephone / PABX	8,292,900	5,820,865	2,472,035
Integrated IT-Softwares & Hardwares	7,595,700	4,933,267	2,662,433
Office & Health & safety Equipment	760,000	227,124	532,876
Cellular Phones	58,000	57,584	416
Fans / Air Conditioners	99,000	87,231	11,769
Improvement to Building / Sewer System	6,051,000	824,500	5,226,500
Office Furniture & Fixtures	626,000	608,882	17,118
Land Survey Total station & Surveying Equipment / GPS	100,000	-	100,000
Laboratory Equipment	50,000	1,696	48,304
Special Tools for St Martin	16,480,100	7,179,689	9,300,411
TOTAL NON FINANCIAL ASSETS	59,769,700	30,244,068	29,525,632
FINANCIAL ASSET- LOAN TO STAFF	3,300,000	2,675,385	624,615
GRAND TOTAL	591,180,900	395,294,688	195,886,212

4.41 RECONCILIATION WITH FINANCIAL STATEMENT

Description of items	Actual	Closing Accrual	As per Financial Statement
	Jul 17 - June 18		
	Rs	Rs	Rs
A. STAFF AND RELATED COSTS			
Salaries and Wages	128,672,031	35,135	128,707,166
Travelling and transport	18,584,915	560,097	19,145,012
Welfare / Occ. Health safety, and staff Welfare	2,786,039	101,577	2,887,616
Overtime	14,484,985	1,042,248	15,527,232
Staff training	378,890	19,500	398,390
Uniforms & protective equipment	2,403,284	1,800	2,405,084
End-of-Year Bonus	10,107,717	-	10,107,717
Allowances-Staff	8,839,688	151,015	8,990,703
Air Passage Benefits	4,336,138	10,463,127	4,336,138
Refund of vacation leave	596,725	-	596,725
Sick Leave Pay	5,660,934	41,252,757	5,660,934
Pensions - SICOM	13,112,908	138,615,014	17,381,352
Gratuity	473,947	193,779	667,726
Contribution EWF, NSF, NPS, LEVY	4,727,622	196,223	4,923,845
TOTAL STAFF AND RELATED COSTS	215,165,828	192,632,272	221,735,640

4.41 RECONCILIATION WITH FINANCIAL STATEMENT (CTD)

Description of items	Actual	Closing Accrual	As per Financial Statement
	Jul 17 - June 18		
	Rs	Rs	Rs
B. OTHER RECURRENT EXPENSES			
Fees to Board Members	3,247,975	-	3,247,975
Postage	499,705	4,415	504,120
Telephone	1,767,067	327,793	2,094,860
Rent of Office	13,776,125	1,252,375	15,028,500
Electricity Charges	51,926,024	4,597,344	56,523,368
Water Charges	698,541	101,953	800,494
Printing and Stationary	1,864,671	116,283	1,980,954
Security Services	3,645,875	1,887,870	5,533,745
Maintenance of Plant, Equipment & WW System	3,511,612	1,097,362	4,608,974
Maintenance of Building	67,363	375	67,738
Repairs and maintenance of Vehicles	4,756,770	1,256,028	6,012,798
Petrol and diesel	2,441,448	397,293	2,838,741
Licenses and fitness	1,694,937	827	1,695,764
Insurance of Vehicles	1,452,245	-	1,452,245
Contract and other Operating Agreements	880,583	38,222	918,805
Seminars & Hospitality	292,721	4,187	296,908
Advertising Expenses	739,417	74,811	814,228
Books, Periodicals & Library Costs	112,836	5,350	118,186
Legal Fees & damages	4,043,339	286,000	4,329,339
Audit Fees	-	275,000	275,000
Consultancy Services	51,865	54,100	105,965
Office Expenses	759,042	57,810	816,852
Fees for Collection of revenue	6,066,898	-	6,066,898
Bank Charges	202,723	100	202,823
Other Insurance and allied charges	617,957	-	617,957
Laboratory Expenses	636,559	64,012	700,571
Miscellaneous	600	-	600
Interest payable	-	449,015,345	116,408,309
Medical Scheme	2,183,096	-	2,183,096



4.41 RECONCILIATION WITH FINANCIAL STATEMENT (CTD)

Description of items	Actual	Closing accrual	As per Financial Statements
	Jul 17- Jun 18		
	Rs	Rs	Rs
B. OTHER RECURRENT EXPENSES			
Running of St Martin Treatment Plant	38,116,890	6,730,848	44,847,738
Chemicals	424,084	16,200	440,284
Parking	269,685	24,650	294,335
Annual Report	-	-	-
Repairs of sewer, raising of manhole & excavation works	148,593	4,860	153,453
Corporate Social Responsibility	-	-	-
Wayleave expenses	73,000	-	73,000
PR activities	37,150	-	37,150
Committee - Adhoc fees	-	-	-
Technical Assistance	-	-	-
O&M of NHDC sites	-	-	-
User fee	-	-	-
Sub -Total	147,007,396	467,691,413	282,091,773
TOTAL RECURRENT EXPENDITURE	362,173,224	660,323,685	503,827,413

4.41 RECONCILIATION WITH FINANCIAL STATEMENT (CTD)

Description of items	Actual	Closing Accrual	As per Financial Statement
	Jul 17 - Jun 18		
	Rs	Rs	Rs
C. NON FINANCIAL ASSETS			
Purchase of Vehicles	7,037,300	7,037,300	14,074,600
Purchase of Equipment for O&M / M&E	3,465,930	1,883,912	5,349,842
Telephone / PABX	5,820,865	2,437,522	8,258,387
Integrated IT- Softwares & Hardwares	4,933,267	6,323,005	11,256,272
Office & Health & safety Equipment	227,124	11,500	238,624
Cellular Phones	57,584	-	57,584
Fans / Air Conditioners	87,231	2,600	89,831
Improvement to Building / Sewer System	824,500	2,250,000	3,074,500
Office Furniture & Fixtures	608,882	22,100	630,982
Laboratory Equipment	1,696	-	1,696
Special Tools for St Martin	7,179,689	4,158,165	11,337,854
Investment in Pv Solar System	-	-	-
Consultancy - BOT	-	-	-
TOTAL NON FINANCIAL ASSETS	30,244,068	24,126,104	54,370,172
FINANCIAL ASSET- LOAN TO STAFF	2,675,385	-	2,675,385
GRAND TOTAL	32,919,453	24,126,104	57,045,557

5. PROPERTY, PLANT & EQUIPMENT

Cost/Valuation	Building	Vehicles	IT Equipment	Office Equipment	O&M Equipment	Furniture	Total
	Rs	Rs	Rs	Rs	Rs	Rs	Rs
At 1 July 17 (Restated)	46,526	34,970,967	4,450,891	8,905,762	44,507,474	8,096,629	100,978,249
Revaluation		480,000					480,000
Additions	3,074,500	14,074,600	8,697,342	238,624	16,779,223	630,982	43,495,271
Grant/ Stock		2,340,000			807,787		3,147,787
Adjustment	(46,526)	-	(213,057)	(38,358)	(3,000,004)	(30,480)	(3,328,425)
At 30 June 2018	3,074,500	51,865,567	12,935,176	9,106,028	59,094,480	8,697,131	144,772,882
Depreciation							
At 1 July 17 (Restated)	-	5,362,778	1,024,680	1,785,643	6,681,538	1,754,494	16,609,133
Revaluation	-	216,000	-	-	-	-	216,000
Charge for the year	5,243	9,316,398	1,557,667	2,292,762	7,106,568	3,048,840	23,267,478
Adjustment	-	-	-	-	(14,665)	-	(14,665)
At 30 June 2018	5,243	14,895,176	2,582,347	4,018,405	13,773,441	4,803,334	40,077,946
NBV as at 30 June 2018	3,069,257	36,970,391	10,352,829	5,087,623	45,321,039	3,893,797	104,694,936

6. CAPITAL PROJECTS

Capital projects paid by WMA through loan from Government for:

	Projects funded by WMA	Projects funded through loan from Government	Borrowing costs	Total
				Jul 17- June 18
Cost/Valuation	Rs	Rs	Rs	Rs
At 1 July 17	85,045,315	2,481,241,326	120,663,506	2,686,950,147
Additions	-	396,080,576		396,080,576
Adjustment	-	966,394		966,394
At 30 June 2018	85,045,315	2,878,288,296	120,663,506	3,083,997,117
Depreciation/Amortisation				
At 1 July 17 (restated)	14,323,112	106,700,561	4,341,563	125,365,236
Charge for the year	2,480,489	84,443,182	4,067,223	90,990,894
Adjustment	-	7,312,633	4,889,574	12,202,207
At 30 June 2018	16,803,601	198,456,376	13,298,360	228,558,337
Carrying value as at 30 June 2018	68,241,714	2,679,831,920	107,365,146	2,855,438,780

7. INTANGIBLES ASSETS

	Rs
At 1 July 17	215,280
Additions	10,874,901
At 30 June 2018	11,090,181
Depreciation	
At 1 July 17	-
Charge for the year	53,694
At 30 June 2018	53,694
NBV as at 30 June 2018	11,036,487



8. LOAN GRANTED TO STAFF

	Jul 17-Jun 18	Jan 16-Jun 17
	Rs	Rs
Opening Balance	10,743,893	10,984,317
Loan granted	2,675,385	5,208,800
Loan repaid	(2,982,587)	(5,449,224)
Closing balance	10,436,691	10,743,893
Less amount falling due within one year	2,810,685	2,841,478
Amount falling due more than one year	7,626,006	7,902,415

9. CASH & CASH EQUIVALENT

	Jul 17 - June 18	Jan 16 - Jun 17
	Rs	Rs
Cash at bank	50,308,092	52,736,922
Cash in hand	850	850
	50,308,942	52,737,772

10. INVENTORIES

The inventories consist of mainly recurrent chemicals and spare parts for maintenance and equipment from Jin Fei and other Capital Projects.

	Jul 17 - Jun 18	Jan 16 - Jun 17
	Rs	Rs
Equipment from projects	39,023,866	29,615,012
Spare parts for maintenance	2,004,378	1,701,019
Chemicals	1,236,710	1,779,579
Other consumables	2,510,668	2,234,581
Borrowing costs	55,282,793	46,913,892
Work in Progress	479,792,778	470,499,776
Total	579,851,193	552,743,859

11. RECEIVABLES AND PREPAYMENTS

	Jul 17- Jun 18	Jan 16- Jun 17
	Rs	Rs
Opening balance	224,236,912	274,681,402
Increase/(decrease) in Domestic and Non Domestic Debtors	(14,975,161)	(50,444,490)
	209,261,751	224,236,912
Less impairment of debt (see Note 11.2)	(128,159,264)	(141,264,882)
Bills rendered to Domestic and Non Domestic Customers	81,102,487	82,972,030
Other receivables and prepayments	100,265,087	108,783,876
Deposits receivable	767,931	741,819
Total	182,135,505	192,497,725

11.1 Bills rendered to customers are shown at a net basis. The average credit period taken by consumers is 120 days. No penalty is charged on the receivables on the first 21 days from the date of delivery, thereafter a surcharge of 10% is applicable on payment.

11.2 MOVEMENT IN THE IMPAIRMENT OF DEBT

	Jul 17- Jun 18	Jan 16- Jun 17
	Rs	Rs
Balance as at 30 June	141,264,882	134,493,238
Amount written off	-	(31,721,705)
Amount recovered	(18,212,909)	-
Bad debt provision	12,621,464	38,493,349
Adjustment	(7,514,173)	-
Balance as at 30 June	128,159,264	141,264,882

12.0 RETIREMENT BENEFIT OBLIGATIONS

Figures for IAS 39 adoption for period ending 30 june 2018

	Year ending	6-month period ending
	30 June 2018	30 June 2017
	Rs	Rs
Amounts recognised in balance sheet at end of year:		
Defined benefit obligation	262,650,151	252,065,839
Fair value of plan assets	(124,035,137)	(109,294,383)
Liability recognised in balance sheet at end of year	138,615,014	142,771,456
Amounts recognised in income statement		
Service cost:		
Current service cost	10,234,148	5,300,919
Past service cost	-	-
(Employee contributions)	(5,796,229)	(2,958,201)
Fund Expenses	-	-
Net Interest expense/(revenue)	9,491,341	4,555,761
P&L Charge	13,929,260	6,898,479
Remeasurement		
Liability (gain) / loss	(5,525,649)	777,863
Assets gain / (loss)	(2,899,671)	(1,212,637)
Net Assets / Equity (NAE)	(8,425,320)	(434,774)
Total	5,503,940	6,463,705
Movements in liability recognised in balance sheet:		
At start of year	142,771,456	141,238,087
Amount recognised in P&L	13,929,260	6,898,479
(Actuarial reserves transferred in)	-	-
(Contributions paid by employer)	(9,660,382)	(4,930,336)
Amount recognised in NAE	(8,425,320)	(464,774)
At end of year	138,615,014	142,741,456

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

	Year ending	6-month period ending
	30 June 2018	30 June 2017
	Rs	Rs
Reconciliation of the present value of defined benefit obligation		
Present value of obligation at start of period	252,065,839	243,829,477
Current service cost	10,234,148	5,300,919
Interest cost	17,014,444	7,924,458
(Benefits paid)	(11,138,631)	(5,766,878)
Liability (gain) / loss	(5,525,649)	777,863
Present value of obligation at end of period	262,650,151	252,065,839
Reconciliation of fair value of plan assets		
Fair value of plan assets at start of period	109,294,383	102,591,390
Expected return on plan assets	7,523,103	3,368,697
Employer contributions	9,660,382	4,930,336
Employee contributions	5,796,229	2,958,201
Actuarial reserves transferred in	-	-
(Benefits paid + other outgo)	(11,138,631)	(5,766,878)
Asset gain / (loss)	2,899,671	1,212,637
Fair value of plan assets at end of period	124,035,137	109,294,383
Distribution of plan assets at end of period		
Percentage of assets at end of year	June 2018	June 2017
Fixed Interest securities and cash	59.5%	56.6%
Loans	3.7%	4.4%
Local equities	14.6%	15.8%
Overseas bonds and equities	21.6%	22.6%
Property	0.6%	0.6%
Total	100.0%	100.0%



Additional disclosure on assets at end of year		
	June 2018	June 2017
	(%)	(%)
Percentage of assets at end of year		
Assets held in the entity's own financial instruments	0	0
Property occupied by the entity	0	0
Other assets used by the entity	0	0

Components of the amount recognised in NAE		
Year	June 2018	June 2017
Currency	Rs	Rs
Asset experience gain (loss) during the period	2,899,671	1,212,637
Liability experience gain (loss) during the period	5,525,649	(777,863)
	8,425,320	434,774

Year	2018/19	
Expected employer contributions	10,126,397	
Weighted average duration of the defined benefit obligation		
(Calculated as a% change in PV of liabilities for a 1% change in discount rate)	16 years	

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. The principal assumptions used for the purpose of the actuarial valuation were as follows:

	Yr ending	6-month period ending
	30 June 18	30 June 2017
Discount rate	6.75%	6.50%
Future salary increases	4.00%	4.00%
Future pension increases	3.00%	3.00%
Mortality before retirement	A 6770 Ultimate Tables	
Mortality in retirement	PA ( 90) Tables - rated down by 2 years	
Retirement Age	As per Second Schedule in the Statutory Bodies Pension Funds Act	

The discount rate is determined by reference to market yields on bonds.

Significant actuarial assumptions for determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based reasonably on possible changes of the assumptions occurring at the end of the reporting period.

- If the discount rate would be 100 basis points (one percent) higher (lower), the defined benefit obligation would decrease by Rs 36.9m (increase by Rs 47.6m) if all other assumptions were held unchanged.
- If the expected salary growth would increase (decrease) by 100 basis points, the defined benefit obligation would increase by Rs 25.3m (decrease by Rs 21.0m) if all assumptions were held unchanged.
- If the expectancy would increase (decrease) by one year, the defined benefit obligation would increase by Rs 6.9m (decrease by Rs 6.9m) if all assumptions were held unchanged.

In reality one might expect interrelationships between the assumptions, especially discount rate and expected salary increases, given that both depends to a certain extent on expected inflation rates. The analysis above abstracts from these interdependence between the assumptions.

12.1 DEFINED CONTRIBUTION PLAN

For the financial year ended 30 June 2018, the amount expensed in the Statement of Financial Performance is Rs 3,143,430. The cumulative amount from January 2013 to 30 June 2018 is Rs 9,629,655.

13. EMPLOYEE BENEFITS

WMA has provided for the employee benefits as under

13.1 PROVISION FOR SICK LEAVE		
	Jul 17- Jun 18	Jan 16- Jun 17
	Rs	Rs
Opening Balance	40,400,047	36,274,132
Payment during the year	(3,131,471)	(5,077,387)
Provision for the year	3,984,181	9,203,302
Closing Balance	41,252,757	40,400,047
Less amount falling due within one year	3,288,045	5,331,260
Amount falling due more than one year	37,964,712	35,068,787

13.2 PROVISION FOR PASSAGE BENEFITS		
	Jul 17- Jun 18	Jan 16- Jun 17
	Rs	Rs
Opening balance	10,494,538	9,040,748
Adjustment	(16,576)	73,661
Payment during the year	(3,978,289)	(4,436,781)
Provision for the year	3,963,454	5,816,910
Closing Balance	10,463,127	10,494,538
Less amount falling due within one year	4,376,118	4,880,500
Amount falling due more than one year	6,087,009	5,614,038

Long Term Benefits	44,051,721	40,682,825
Short Term benefits	7,664,163	10,211,760
Total Employee Benefits	51,715,884	50,894,585

14. TRADE AND OTHER PAYABLES

	Jul 17- Jun 18	Jan 16- Jun 17
	Rs	Rs
Accruals: User fee	-	518,500,000
Interest on loan	377,160,512	260,752,204
Recurrent and capital expenditure	291,818,537	227,750,895
	668,979,049	1,007,003,099
Other Payables	7,144,138	6,516,834
	676,123,187	1,013,519,933

15. LONG TERM LOAN

As from year 2013 capital projects previously funded by Government is now funded by WMA through loan from Government

	Jul 17- Jun 18	Jan 16- Jun 17
	Rs	Rs
Opening Balance	2,841,953,792	2,117,696,947
Loan from Government	254,518,755	724,256,845
Adjustment on valuation	1,671,665	-
Total	3,098,144,212	2,841,953,792

16. REVALUATION RESERVE

	Jul 17 - Jun 18	Jan 2016 - June 2017
	Rs	Rs
Opening balance	5,204,987	2,710,350
Vehicles received	480,000	1,518,671
Depreciation on vehicles 17/18	(216,000)	-
Depreciation on vehicles prior 17/18	123,073	-
Equipment revalued	-	975,966
	5,592,060	5,204,987

17. CONTINGENT LIABILITY

During the financial year WMA has provided for an amount of Rs14,334,040 as bank Guarantee for acquiring way-leaves as follows:

	Jul 17 - Jun 18	Jan 2016 - June 2017
	Rs	Rs
Municipal Councils	8,314,040	6,298,700
District Council	-	135,000
Road Development Authority	6,000,000	6,000,000
Mauritius Revenue Authority	20,000	20,000
Total	14,334,040	12,453,700

The way-leaves are necessary for the implementation of Capital Projects.

At the statement of financial position date, WMA has contingent liability in respect of :

- (a) Bank guarantees issued in ordinary course of business from which it is anticipated that no material liabilities will arise.
- (b) For cases pending before the Court where WMA is being sued. The total amount claimed to WMA is Rs 15,670,731 and no provision has been made in the accounts.
- (c ) There is a claim from the contractor amounting to Rs 279.8m for contract WW80F – Plaines Wilhems Sewerage Project. However the probability to pay is remote.

18. STATEMENT OF CHANGES IN EQUITY FOR THE YEAR JULY 2017 TO JUNE 2018

Revenue for prior years		
Vehicle adjustment	(13,820,157)	
Gratuity	(22,408)	
Retention Allowance	(252,287)	
Reversal of user fee	(518,500,000)	
Sale of effluent to Mon Choisy	(466,837)	
Stock	(652,763)	
Sick leave adjustment	(37,024)	
Total revenue for prior years		(533,751,476)
Prior year expenses		
Adjustment of revaluation reserve	123,072	
Capitalisation of interest	21,607,827	
Depreciation of projects (Loan)	7,312,633	
Equipment adjustment	9,691,632	
Long Term Loan	1,671,666	
Amortisation of grant	4,054,651	
Debtors	22,685,043	
Clearance fees	4,800	
Refund of wastewater charges	3,453	
Total prior year expenses		67,154,777
Net revenue/(expenses) recognised directly in statement of changes in equity		(466,596,699)

19. CAPITAL COMMITMENTS

WMA has contracted capital expenditure amounting to Rs 30.4m for the purchase of equipment at the statement of financial position date which has been recognised in the financial statement.

20. REMUNERATION OF DIRECTORS AND KEY PERSONNEL MANAGEMENT

The remuneration of directors and that of the members of key management during the year was as follows:

20.1 REMUNERATION		
	Jul 17 - Jun 18	Jan 16 - June 17
	Rs	Rs
Directors	3,006,000	4,356,000
Other fees	241,500	214,313
Key Personnel Management	5,679,413	8,462,566
	8,926,913	13,032,879
20.2 LOAN TO MANAGERS FOR THE PURCHASE OF VEHICLES		
	Jul 17 - Jun 18	Jan 16 - June 17
	Rs	Rs
Opening balance	296,428	474,285
Add loan granted during the year	-	-
Less loan repaid	(118,571)	(177,857)
Closing balance	177,857	296,428



21. STATEMENT OF REVENUE FOR THE YEAR ENDED 30 JUNE 2018

REVENUE  
For the year ended 30 June 2018

	Jul 17- Jun 18	Jan 16- Jun 17 Restated
	(12 Mths)	(18 Mths)
	Rs	Rs
Revenue		
Domestic Tariff (Fees)	172,321,618	229,459,548
Non Domestic Tariff (Fees)	252,839,637	359,417,371
	425,161,255	588,876,919
Other Revenue		
Surcharge	5,946,250	9,588,865
Sale of tender documents	431,500	839,756
Tanker License Fees	900,000	1,281,288
Bank Interest Received	1,421,452	1,035,366
Industrial Discharge Permit	9,800	11,000
Sundry Income	1,116,868	4,781,102
Sale of treated effluent - Choisy	562,170	-
Verification of Design of Sewer, Treatment Plant	44,200	65,450
Clearing Blockages	178,008	429,256
Disposal of effluent at Roche Bois Pumping station	22,266,760	33,250,088
Clearance for building permit	1,719,922	4,793,423
Attendance to Meetings and Site Visits	4,200	17,200
Witnessing of Percolation Tests	28,700	128,900
Wastewater Clearance for Morcellement permits	1,841,376	4,308,340
Rent received	522,240	478,720
Profit on Disposal of Fixed Asset	-	2,810,658
Revenue from Non Exchange Transactions	9,278,565	-
Amortisation of Grant	-	-
Gain on exchange rate	495,034	1,097,774
Total Other Revenue	46,767,045	64,917,186
Total Revenue	471,928,300	653,794,105

22. STATEMENT OF EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2018

EXPENDITURE  
For the year ended 30 June 2018

	Jul 17- Jun 18	Jan 16- Jun 17 Restated
	(12 Mths)	(18 Mths)
	Rs	Rs
Operation and Maintenance Costs		
Staff costs and other related costs	148,650,991	238,442,408
Travel and Transport	14,866,303	25,139,123
Telephone	785,966	1,331,525
Electricity	54,941,652	78,805,902
Water Rates	800,494	1,332,678
Security Services	5,271,875	7,648,850
Repair and Maintenance costs	5,844,657	13,092,188
Motor Vehicle Costs	11,630,653	16,493,101
Contract Operating Agreement	45,277,862	68,278,824
Advertising Costs	257,675	441,726
Sub-Total	288,328,128	451,006,325
Administrative Costs		
Staff costs and other related costs	56,122,735	79,630,646
Travel and Transport	4,278,709	6,000,462
Postage	504,120	988,035
Telephone	1,308,893	2,257,802
Rent	15,028,500	22,543,571
Electricity	1,581,716	2,405,191
Printing and Stationery	2,916,593	5,993,119
Insurance	617,957	470,588
Security Services	261,870	549,456
Hired and Contracted Service	1,407,139	1,462,504
Consultancy Services	54,100	20,600
Seminars and Hospitality	296,908	441,478
Legal Fees	4,329,339	3,003,265
Audit Fees	275,000	275,000
Other Fees	3,247,975	4,772,500
Advertising costs	593,703	794,393
Unserviceable stock written off	-	5,590
Sub-Total	92,825,257	131,614,200

23. STATEMENT OF EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2018 (CTD)

EXPENDITURE  
For the year ended 30 June 2018

	Jul 17-Jun 18	Jan 16-Jun 17
	(12 Mths)	Restated
	(18 Mths)	
	Rs	Rs
Commercial Costs		
Income Collection Fee	6,066,898	9,067,438
Bad debts recovered	(18,212,909)	-
Bad Debts Provision	12,621,464	38,493,349
Sub -Total	475,453	47,560,787
Depreciation / Amortisation cost	114,312,066	92,667,849
Sub -Total	114,312,066	92,667,849
Finance Costs		
Bank Charges	202,823	259,228
Interest on Loan	116,408,309	100,918,036
User fee	-	106,500,000
Sub -Total	116,611,132	207,677,264
Total Expenditure	612,552,036	930,526,425
Summary		
Total revenue	471,928,300	653,794,105
Total expenditure	612,552,036	930,526,425
Surplus / (Deficit) for the year	(140,623,736)	(276,732,320)

23. VARIANCE BETWEEN APPROVED V/S REVISED ESTIMATES 2017/18

Revenue – 2017/2018

An analysis has been worked to estimate the variance derived from the approved budget as compared to the revised estimate 2017/2018. The variances are explained as follows:

Income

- a) Tariff and Non-Domestic tariffs have increased by Rs 18.25m due to increase in volume of water volume consumption for the year ended 30 June 2018.
- b) The other main items where Rs 23.8m have been earmarked for management fee of 2% expected to be derived from our parent ministry. At the time of the preparation of revised estimates it was less likely that such amount could be collected from MEPU. WMA has been prudent to eliminate the items as a revenue generating variable.

23.1 REVISED ESTIMATES V/S ACTUAL 2017/18

- a) The actual amount received from direct income with respect to Domestic and Non-Domestic tariffs have increased by Rs 11.8m.
- b) The other income which encompasses a number of sub income have experienced a decrease. The main items are:
- Decrease in bank interest receivable – Rs 698,548
  - Increase in sundry income – Rs 38,868
  - Decrease in the disposal of effluents – Rs 922,440
  - Decrease in clearance for building permits – Rs 501,878

24. EXPENDITURE

24.1 APPROVED V/S REVISED ESTIMATES 2017/18

The WMA estimates are mainly categorized into 3 main domains:

- a) Staff and related cost
- b) Other recurrent cost
- c) WMA capital expenditure

The analysis of variance will be discussed accordingly.

a) Staff and Related Cost

The cost savings of Rs 44.7m have been the results of non-filling of vacancies. WMA have been able to implement a successful strategy to reduce overtime cost by Rs 8.6m.

b) (i) Other Recurrent Cost: Rs 4.2m

The total savings for revised estimates 2017/2018 amount to Rs 7.48m. The following are the main items:

- Proper control of maintenance cost – Rs 1.7m
- Petrol & Diesel – Rs 1.96m
- Chemical – Rs 0.82m
- Contract agreement – Rs 1.5m
- Laboratory expenses – Rs 1m
- Telephone – Rs 0.5m

(ii) Additional funds for the following items of expenditure were allocated:

- Electricity – Rs 3.12m
- Medical scheme – Rs 1.12m
- St Martin – Rs 1m

c) Capital Expenditure (approved capital expenditure v/s revised budget)

The total fund approved for 2017/2018 amounted to Rs 92.9m and total revised stood to Rs 59.8m. The main variance items are:

- Purchase of vehicles – Rs 12.8m
- Purchase of equipment (O&M) – Rs 4.9m
- Integrated software – Rs 3.7m
- Improvement of building – Rs 3.4m
- Land surveyor – Rs 2.4m
- Special IT tools – Rs 4.1m
- Other items – Rs 1.8m

25. INVESTMENT IN PROJECT

25.1 APPROVED BUDGET V/S REVISED BUDGET

The total amount of funds approved by Government was Rs 1.2bn for WMA for year ended 30 June 2018. The revised estimates were approved to Rs 573.02m with two main Projects under review, the first one being Pailles Guibies Sewerage Project and second Grand Baie Sewerage Project.

Summary of Capital Expenditure as at 30 June 2018

	Rs m
Budget Approved 2017-2018	1200.00
Revised Estimates	(573.02)
Excess Budgeted	626.98
Pailles Guibies Sewerage Project and Grand Baie Sewerage Project	(489.44)
Other Projects	137.54

25.2 SPENDING EFFICIENCY

The WMA capital efficiency planning for loan category is 91% and Equity participation is 29.7%. However the overall planning efficiency for WMA for 30 June 2018 is 47.7%

25.3 REVISED ESTIMATES V/S ACTUAL BUDGET 2017/2018

	Rs
1. House Service Connection	7,244,713
2. Upgrading of Wastewater Infrastructure	35,507,954
a) Supply, Installation, Testing and Commissioning of Submersible Wastewater Pump	6,000,000
b) Supply, Installation, Testing and Commissioning of Submersible Wastewater Pump – 328S & Others	13,496,791
c) Framework Agreement Repairs	12,007,694
d) Upgrading Rehabilitation & Deviation of existing Sewer Reticulation in Plaines Wilhems and Port Louis	3,003,054
e) Others	1,000,415
3. Other Projects	9,628,435

26. REVISED BUDGET V/S ACTUAL BUDGET 2017/2018

1. Pailles Guibies Sewerage Project

Savings on Bill items No 1, unused provisional sum. No 2 Trunk sewer unused/remeasured items. No 3 Omission of sewer section in Canal Dayot region, A1 road crossing has not been carried out and omission of the decommissioning of the existing Pailles STP. No 4 GRNW pumping station M&E works. First half Retention money not yet released.

2. Grand Baie Sewerage Project

Delay in floating tenders due to major amendments in tender documents following comments from funding agency JICA and CPB. Consequently, payment to Consultant for assistance in evaluation and advanced payment for post award services have been delayed.

3. Rehabilitation in CHA Estates – Rs 20.50m

(i) Residence Palmerstone

The number of houses planned for connection was initially targeted at 80 and at the end works only 65 houses were completed. And bill item for water works was not used.

(ii) Residence La Cure

Revision in the contractual completion date and which have implication on the works. Consequently amount paid to contractors have been extended.

(iii) Residence Malherbes

Delayed due to second bid exercise being carried out.

(iv) Residence Paul et Virginie

Contractor has not submitted application for completion certificate. Pre Final payment will be effected in 2018/2019.

4. Tranquebar / Vallée Des Prêtes – Rs 26m

Cypaye Brule, Vallée Des Prêtes - payment withheld due to capping exercise. Revision in contractual completion date for project due to adverse weather conditions and thus delay in Pre-Final payment. Bangladesh, Tranquebar - Delayed by Contractor in the process of executing the works and submitting document.

5. New Project 2018/2019 – Rs 1.9m

Residence Sadally – Not yet awarded.

6. Project 2016/2017 – Rs 39m

(i) Highlands Sewerage Project -

Late import of materials by Contractor entailing consequences in the progress of works.

(ii) Riviere Du Rempart – Consultancy - Rescheduling of activities in 2018/2019

Capital Efficiency Spending

The overall Capital efficiency spending as compared with the revised estimates is 73.3% while the Loan spending efficiency is 83.6% and Equity Participation efficiency is 59.9%.



27. CAPITAL PROJECTS FOR THE YEAR ENDED 30 JUNE 2018

S/N	Projects	Cummulative expenditure	
		up to June 2017	
		Rs M	
D0013	PLAINES WILHEMS SEWERAGE PROJECT STAGE1	8,439	
D0014	HOUSE SERVICE CONNECTIONS	705	
D0015	GRAND BAIE SEWERAGE PROJECT	1,275	
D0016	REHABILITATION IN CHA ESTATES & LOW COST	1,275	
D0070	VALLEE DES PRETRES - TRANQUEBAR	4	
D0070	VALLEE DES PRETRES - CYPAILLES BRULEE	51	
D0070	PARISOT PHASE II SEWERAGE PROJECT	71	
D0070	VERGER BISSAMBAR	60	
D0070	CAMP CAVAL, ROBINSON	5	
D0070	ALFRED GELEE	5	
D0070	CITE MARCEL CABON	6	
D0070	BAIN DES DAMES	3	
D0017	BAIE DU TOMBEAU SEWERAGE PROJECT	1,715	
D0018	ENVIRONMENTAL WEST & SANITATION PROJECT	2,142	
D0019	PAILLES GUIBIES SEWERAGE PROJECT	136	
D0047	PORT LOUIS REHABILITATION	-	
D0049	SOCIAL HOUSING PROJECT	-	
D0049	NEOTOWN PROJECT	-	
D0020	UPGRADING OF WASTEWATER INFRASTRUCTURE	528	
D0118	HIGHLANDS PHASE I WORKS	-	
D0119	RIVIERE DU REMPART CONSULTANCY	-	
D0120	KENSINGTON PTE AUX SABLES WORKS	-	
	Sub Total Completed Projects	16,420	
	Grand Total (Inclusive of VAT)	16,420	

	Expenditure	Expenditure	Cummulative expenditure	Cummulative expenditure
	July 2017 to December 2017	January 2018 to June 2018	July 2017 to June 2018	up to June 2018
	Rs M	Rs M	Rs M	Rs M
	127	90	217	8,656
	16	14	30	735
	-	-	-	1,275
	38	23	61	1,336
	8	7	15	20
	7	3	10	61
	-	-	-	71
	3	-	3	63
	-	-	-	5
	-	-	-	5
	-	0.3	0.3	6
	-	-	-	3
	-	-	-	1,715
	-	-	-	2,142
	28	14	42	178
	-	-	-	-
	-	-	-	-
	-	-	-	-
	9	18	27	555
	15	3	18	18
	1	2	3	3
	13	12	25	25
	265	186	451	16,872
				1,460
	265	186	451	18,332



Wastewater Management Authority

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