



# **UNAUDITED FINANCIAL STATEMENTS**

**Statement of Financial Position as at**

**31 December 2020**

**&**

**Statement of Financial Performance**

**For the Quarter ended**

**31 December 2020**

# Wastewater Management Authority - Financial Statements

## UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

### STATEMENT OF FINANCIAL POSITION

|  | Notes | Period ended 31<br>Dec 2020<br>Unaudited<br>Rs | Year ended 30<br>June 2020<br>Unaudited<br>Rs |
|--|-------|--|---|
| <b>Assets</b>                          |       |  |   |
| <b>Current Assets</b>                  |       |  |   |
| Cash & cash equivalents                |       | 41,104,747                                     | 147,410,495                                   |
| Receivables from exchange transactions |       | 151,455,189                                    | 159,534,868                                   |
| Loans and Advances                     |       | 3,500,269                                      | 3,281,924                                     |
| Inventories                            |       | 52,067,381                                     | 47,152,057                                    |
| Prepayments                            |       | 2,051,199                                      | 2,818,675                                     |
|  |       | <b>250,178,785</b>                             | <b>360,198,019</b>                            |
| <b>Non-current Assets</b>              |       |  |   |
| Property, plant and equipment          | 5     | 4,264,515,082                                  | 4,227,725,572                                 |
| Intangible assets                      | 6     | 12,236,724                                     | 12,322,909                                    |
| Loans and Advances                     |       | 10,415,345                                     | 9,787,994                                     |
|  |       | <b>4,287,167,151</b>                           | <b>4,249,836,475</b>                          |
| <b>Total assets</b>                    |       | <b>4,537,345,936</b>                           | <b>4,610,034,493</b>                          |
| <b>Liabilities</b>                     |       |  |   |
| <b>Current Liabilities</b>             |       |  |   |
| Payables under exchange transactions   |       | 937,497,818                                    | 925,490,193                                   |
| Borrowings                             |       | 203,535,248                                    | 169,356,645                                   |
| Provisions                             |       | 3,000,000                                      | 4,000,000                                     |
|  |       | <b>1,144,033,066</b>                           | <b>1,098,846,838</b>                          |
| <b>Non-current Liabilities</b>         |       |  |   |
| Borrowings                             |       | 3,166,919,753                                  | 3,180,424,234                                 |
| Provisions                             |       | 96,981,659                                     | 91,350,348                                    |
| Employee benefits obligation           |       | 214,377,919                                    | 214,377,919                                   |
|  |       | <b>3,478,279,331</b>                           | <b>3,486,152,501</b>                          |
| <b>Total Liabilities</b>               |       | <b>4,622,312,397</b>                           | <b>4,584,999,339</b>                          |
| <b>Net assets</b>                      |       | <b>(84,966,461)</b>                            | <b>25,035,154</b>                             |
| <b>Net assets/ equity</b>              |       |  |   |
| Reserves                               |       | 894,201,152                                    | 852,645,992                                   |
| Consolidated fund                      |       | -  | -   |
| Special fund                           |       | -  | -   |
| Accumulated surplus/(deficit)          |       | (979,167,613)                                  | (827,610,838)                                 |
| Non-controlling interest               |       | -  | -   |
| <b>Total net assets/ equity</b>        |       | <b>(84,966,461)</b>                            | <b>25,035,154</b>                             |

# Wastewater Management Authority - Financial Statements

## UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2020

### STATEMENT OF FINANCIAL PERFORMANCE (Classification of Expenses by Function)

|   | Notes | Quarter<br>ended 31<br>Dec 20 | Quarter<br>ended 31 Dec<br>19 | 6 months<br>ended 31 Dec<br>20 |
|---|-------|-------------------------------|-------------------------------|--------------------------------|
|   |       | Unaudited<br>(Rs)             | Unaudited<br>(Rs)             | Unaudited<br>(Rs)              |
| <b>Revenue from non-exchange transactions</b> |       |                               |                               |                                |
| Taxation                                      |       | -                             | -                             | -                              |
| Fees, fines, penalties and licenses           |       | -                             | -                             | -                              |
| External grants and aid                       |       | -                             | -                             | -                              |
| Finance income                                |       | -                             | -                             | -                              |
|   |       | -                             | -                             | -                              |
| <b>Revenue from exchange transactions</b>     |       |                               |                               |                                |
| Finance income                                |       | -                             | -                             | -                              |
| Fees, fines, penalties and licenses           |       | 101,010,375                   | 106,670,341                   | 194,510,196                    |
| Dividends                                     |       | -                             | -                             | -                              |
| Withdrawal from income of quasi corporations  |       | -                             | -                             | -                              |
| Sales of goods & services                     |       | -                             | -                             | -                              |
| Rent & royalties                              |       | -                             | -                             | -                              |
| Other revenue                                 |       | 5,674,728                     | 10,144,230                    | 14,752,684                     |
|   |       | <b>106,685,103</b>            | <b>116,814,571</b>            | <b>209,262,880</b>             |
| <b>Total revenue</b>                          |       | <b>106,685,103</b>            | <b>116,814,571</b>            | <b>209,262,880</b>             |
| <b>Expenses</b>                               |       |                               |                               |                                |
| General public services                       |       | -                             | -                             | -                              |
| Public order and safety                       |       | -                             | -                             | -                              |
| Economic affairs                              |       | -                             | -                             | -                              |

# Wastewater Management Authority - Financial Statements

UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2020

## STATEMENT OF FINANCIAL PERFORMANCE (Classification of Expenses by Function)

|  | Notes | Quarter ended 31 Dec 20 | Quarter ended 31 Dec 19 | 6 months ended 31 Dec 20 |
|--|-------|-------------------------|-------------------------|--------------------------|
|  |       | Unaudited (Rs)          | Unaudited (Rs)          | Unaudited (Rs)           |
| Environmental protection   | 7     | 128,111,753             | 105,715,449             | 226,396,256              |
| Housing and community amenities                                    |       | -                       | -                       | -                        |
| Health   |       | -                       | -                       | -                        |
| Recreational, cultural, and religion                               |       | -                       | -                       | -                        |
| Education  |       | -                       | -                       | -                        |
| Social protection  |       | -                       | -                       | -                        |
| Bad debts  |       | (2,852,349)             | 2,408,028               | (1,461,194)              |
| Depreciation and amortization expense                              |       | 36,339,746              | 35,212,298              | 72,460,019               |
| Impairment of property, plant and equipment and intangible asset   |       | -                       | -                       | -                        |
| Other expenses   | 8     | 8,389,959               | 7,625,311               | 15,213,155               |
| Finance costs  | 9     | 25,017,564              | 36,004,796              | 48,230,069               |
| <b>Total expenses</b>  |       | <b>195,006,673</b>      | <b>186,965,882</b>      | <b>360,838,305</b>       |
| Share of surplus/(deficit) of associates                           |       | -                       | -                       | -                        |
| Share of surplus/(deficit) of joint ventures                       |       | -                       | -                       | -                        |
| <b>Surplus/(Deficit) for the period</b>                            |       | <b>(88,321,570)</b>     | <b>(70,151,311)</b>     | <b>(151,575,425)</b>     |
| Attributable to:   |       |                         |                         |                          |
| Surplus/(Deficit) attributable to non-controlling interests        |       | -                       | -                       | -                        |
| Surplus/(Deficit) attributable to owners of the controlling entity |       | -                       | -                       | -                        |
|  |       |                         |                         |                          |

# Wastewater Management Authority - Financial Statements

## UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2020

### STATEMENT OF FINANCIAL PERFORMANCE

(Classification of Expenses by Nature)

|  | Notes | Quarter ended 31 Dec 20 | Quarter ended 31 Dec 19 | 6 months ended 31 Dec 20 |
|--|-------|-------------------------|-------------------------|--------------------------|
|  |       | Unaudited (Rs)          | Unaudited (Rs)          | Unaudited (Rs)           |
| <b>Revenue from non-exchange transactions</b>                    |       |                         |                         |                          |
| Taxation   |       | -                       | -                       | -                        |
| Fees, fines, penalties and licenses                              |       | -                       | -                       | -                        |
| External grants and aid  |       | -                       | -                       | -                        |
| Finance income   |       | -                       | -                       | -                        |
|  |       | -                       | -                       | -                        |
| <b>Revenue from exchange transactions</b>                        |       |                         |                         |                          |
| Finance income   |       | -                       | -                       | -                        |
| Fees, fines, penalties and licenses                              |       | 101,010,375             | 106,670,341             | 194,510,196              |
| Dividends  |       | -                       | -                       | -                        |
| Sales of goods & services  |       | -                       | -                       | -                        |
| Withdrawal from income of quasi corporations                     |       | -                       | -                       | -                        |
| Rent & royalties   |       | -                       | -                       | -                        |
| Other revenue  |       | 5,674,728               | 10,144,230              | 14,752,684               |
|  |       | <b>106,685,103</b>      | <b>116,814,571</b>      | <b>209,262,880</b>       |
| <b>Total revenue</b>   |       | <b>106,685,103</b>      | <b>116,814,571</b>      | <b>209,262,880</b>       |
| <b>Expenses</b>  |       |                         |                         |                          |
| Compensation of employees  | 10    | 70,322,528              | 67,287,651              | 126,756,539              |
| Retirement benefits  | 11    | 95,739                  | 34,639                  | 344,129                  |
| Grants and other transfer payments                               |       |                         |                         |                          |
| Social benefits  | 12    | 1,719,941               | 1,810,337               | 3,207,308                |
| Supplies and consumables used                                    | 13    | 1,727,163               | 2,353,902               | 3,147,410                |
| Depreciation and amortization expense                            |       | 36,339,746              | 35,212,298              | 72,460,019               |
| Bad debts  |       | (2,852,349)             | 2,408,028               | (1,461,194)              |
| Impairment of property, plant and equipment and intangible asset |       |                         |                         |                          |

## Wastewater Management Authority - Financial Statements

UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2020

### STATEMENT OF FINANCIAL PERFORMANCE

(Classification of Expenses by Nature)

|  | Notes | Quarter ended 31 Dec 20 | Quarter ended 31 Dec 19 | 6 months ended 31 Dec 20 |
|--|-------|-------------------------|-------------------------|--------------------------|
|  |       | Unaudited (Rs)          | Unaudited (Rs)          | Unaudited (Rs)           |
| Other expenses   | 14    | 62,636,341              | 41,854,231              | 108,154,026              |
| Finance costs  | 9     | 25,017,564              | 36,004,796              | 48,230,069               |
| <b>Total expenses</b>  |       | <b>195,006,673</b>      | <b>186,965,882</b>      | <b>360,838,305</b>       |
| <b>Others gains/(losses)</b>                                       |       |                         |                         |                          |
| Gain/(loss) on sale of assets                                      |       | -                       | -                       | -                        |
| Gain/(loss) on foreign exchange transactions                       |       | -                       | -                       | -                        |
| Gain/(loss) on fair value of investments                           |       | -                       | -                       | -                        |
| Impairment loss  |       | -                       | -                       | -                        |
| Gain/(loss) on fair value of investment property                   |       | -                       | -                       | -                        |
| Gain/(loss) on fair value of biological assets                     |       | -                       | -                       | -                        |
|  |       | -                       | -                       | -                        |
| Share of surplus/(deficit) of associates                           |       | -                       | -                       | -                        |
| Share of surplus/(deficit) of joint ventures                       |       | -                       | -                       | -                        |
| <b>Surplus/(Deficit) for the year</b>                              |       | <b>(88,321,570)</b>     | <b>(70,151,311)</b>     | <b>(151,575,426)</b>     |
| Attributable to:   |       |                         |                         |                          |
| Surplus/(Deficit) attributable to non-controlling interests        |       | -                       | -                       | -                        |
| Surplus/(Deficit) attributable to owners of the controlling entity |       | -                       | -                       | -                        |
|  |       |                         |                         |                          |

## Wastewater Management Authority - Financial Statements

| UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2020            |  |                |                     |                     |  |                |                          |              |
|--|--|----------------|---------------------|---------------------|--|----------------|--------------------------|--------------|
| STATEMENT OF CHANGES IN NET ASSETS/EQUITY  |  |                |                     |                     |  |                |                          |              |
|  | Attributable to Owners of Controlling Entity |                |                     |                     |  |                | Non-controlling Interest | Total        |
|  | Consolidated Fund                            | Special Fund   | Accumulated Surplus | Revaluation Reserve | Other Reserves/Shares & Equity Participation | Total          |                          |              |
|  | Unaudited (Rs)                               | Unaudited (Rs) | Unaudited (Rs)      | Unaudited (Rs)      | Unaudited (Rs)                               | Unaudited (Rs) |                          |              |
| <b>Balance at 01 October 2020</b>  | -  | -              | (890,852,918)       | 5,816,106           | 846,829,888                                  | (38,206,924)   | -                        | (38,206,924) |
| Changes in accounting policy   | -  | -              | 6,875               | -                   | -  | 6,875          | -                        | 6,875        |
| <b>Restated balance at 01 October 2020</b>                                       | -  | -              | (890,846,043)       | 5,816,106           | 846,829,888                                  | (38,200,049)   | -                        | (38,200,049) |
| <b>Changes in net assets/equity for quarter ended 31 December 2020</b>           |  |                |                     |                     |  |                |                          |              |
| Gain/(Loss) on fair value of investments   | -  | -              | -                   | -                   | -  | -              | -                        | -            |
| Effect of change in ownership not resulting in loss of control                   | -  | -              | -                   | -                   | -  | -              | -                        | -            |
| Issue of shares to non- controlling interest                                     | -  | -              | -                   | -                   | -  | -              | -                        | -            |
| Movement in other reserves/received during the quarter                           | -  | -              | -                   | -                   | 41,555,158                                   | 41,555,158     | -                        | 41,555,158   |
| Dividend paid by controlled entities and associates to non- controlling interest | -  | -              | -                   | -                   | -  | -              | -                        | -            |
| Share of changes in net assets/equity of associates                              | -  | -              | -                   | -                   | -  | -              | -                        | -            |
| Share of changes in net assets/equity of joint ventures                          | -  | -              | -                   | -                   | -  | -              | -                        | -            |
| Remeasurement of defined benefit liability(asset)                                | -  | -              | -                   | -                   | -  | -              | -                        | -            |
| <b>Net Revenue recognised directly in net assets/equity</b>                      | -  | -              | -                   | -                   | 41,555,158                                   | 41,555,158     | -                        | 41,555,158   |

## Wastewater Management Authority - Financial Statements

| UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2020 |  |                   |                        |                        |   |                   |                                 |                   |
|---|--|-------------------|------------------------|------------------------|---|-------------------|---------------------------------|-------------------|
| STATEMENT OF CHANGES IN NET ASSETS/EQUITY                             |  |                   |                        |                        |   |                   |                                 |                   |
|   | Attributable to Owners of Controlling Entity |                   |                        |                        |   |                   |                                 |                   |
|   | Consolidated<br>Fund                         | Special<br>Fund   | Accumulated<br>Surplus | Revaluation<br>Reserve | Other<br>Reserves/Shares<br>& Equity<br>Participation | Total             | Non-<br>controlling<br>Interest | Total             |
|   | Unaudited<br>(Rs)                            | Unaudited<br>(Rs) | Unaudited<br>(Rs)      | Unaudited<br>(Rs)      | Unaudited (Rs)  | Unaudited<br>(Rs) | Unaudited<br>(Rs)               | Unaudited<br>(Rs) |
| Surplus/Deficit for the year  | -  |                   | (88,321,570)           |                        | -   | (88,321,570)      | -                               | (88,321,570)      |
| <b>Total recognised revenue and expenses for the quarter</b>          | -  | -                 | (88,321,570)           | -                      | 41,555,158  | (46,766,412)      | -                               | (46,766,412)      |
| <b>Balance as at 31 December 2020</b>                                 | -  | -                 | (979,167,613)          | 5,816,106              | 888,385,046   | (84,966,461)      | -                               | (84,966,461)      |



## Wastewater Management Authority - Financial Statements

| STATEMENT OF CHANGES IN NET ASSETS/EQUITY  |  |                |                     |                     |  |                |                          |               |
|--|--|----------------|---------------------|---------------------|--|----------------|--------------------------|---------------|
|  | Attributable to Owners of Controlling Entity |                |                     |                     |  |                | Non-controlling Interest | Total         |
|  | Consolidated Fund                            | Special Fund   | Accumulated Surplus | Revaluation Reserve | Other Reserves/Shares & Equity Participation | Total          |                          |               |
|  | Unaudited (Rs)                               | Unaudited (Rs) | Unaudited (Rs)      | Unaudited (Rs)      | Unaudited (Rs)                               | Unaudited (Rs) |                          |               |
| <b>Balance at 01 October 2019</b>  | -  | -              | (581,711,167)       | 5,520,904           | 266,705,244                                  | (309,485,019)  | -                        | (309,485,019) |
| Changes in accounting policy   | -  | -              | 398,166             | -                   | -  | 398,166        | -                        | 398,166       |
| <b>Restated balance at 01 October 2019</b>                                       | -  | -              | (581,313,001)       | 5,520,904           | 266,705,244                                  | (309,086,853)  | -                        | (309,086,853) |
| <b>Changes in net assets/equity for period 31 December 2019</b>                  |  |                |                     |                     |  |                |                          |               |
| Gain/(Loss) on fair value of investments   | -  | -              | -                   | -                   | -  | -              | -                        | -             |
| Effect of change in ownership not resulting in loss of control                   | -  | -              | -                   | -                   | -  | -              | -                        | -             |
| Issue of shares to non- controlling interest                                     | -  | -              | -                   | -                   | -  | -              | -                        | -             |
| Movement in other reserves/received during the quarter                           | -  | -              | -                   | -                   | 370,551,131                                  | 370,551,131    | -                        | 370,551,131   |
| Prior year revenue/expenses  | -  | -              | -                   | -                   | -  | -              | -                        | -             |
| Dividend paid by controlled entities and associates to non- controlling interest | -  | -              | -                   | -                   | -  | -              | -                        | -             |
| Share of changes in net assets/equity of associates                              | -  | -              | -                   | -                   | -  | -              | -                        | -             |
| Share of changes in net assets/equity of joint ventures                          | -  | -              | -                   | -                   | -  | -              | -                        | -             |
| Remeasurement of defined benefit liability(asset)                                | -  | -              | -                   | -                   | -  | -              | -                        | -             |
| <b>Net Revenue recognised directly in net assets/equity</b>                      | -  | -              | -                   | -                   | 370,551,131                                  | 370,551,131    | -                        | 370,551,131   |

## Wastewater Management Authority - Financial Statements

| <b>STATEMENT OF CHANGES IN NET ASSETS/EQUITY</b>             |   |                           |                                |                                |   |                           |  |                           |
|--|---|---------------------------|--------------------------------|--------------------------------|---|---------------------------|--|---------------------------|
|  | <b>Attributable to Owners of Controlling Entity</b> |                           |                                |                                |   |                           |  |                           |
|  | <b>Consolidated<br/>Fund</b>                        | <b>Special<br/>Fund</b>   | <b>Accumulated<br/>Surplus</b> | <b>Revaluation<br/>Reserve</b> | <b>Other<br/>Reserves/Shares<br/>&amp; Equity<br/>Participation</b> | <b>Total</b>              | <b>Non-<br/>controlling<br/>Interest</b> | <b>Total</b>              |
|  | <b>Unaudited<br/>(Rs)</b>                           | <b>Unaudited<br/>(Rs)</b> | <b>Unaudited<br/>(Rs)</b>      | <b>Unaudited<br/>(Rs)</b>      | <b>Unaudited (Rs)</b>   | <b>Unaudited<br/>(Rs)</b> | <b>Unaudited<br/>(Rs)</b>                | <b>Unaudited<br/>(Rs)</b> |
| Surplus/Deficit for the quarter                              | -   | -                         | (70,151,311)                   | -                              | -   | (70,151,311)              | -  | (70,151,311)              |
| <b>Total recognised revenue and expenses for the quarter</b> | -   | -                         | (70,151,311)                   | -                              | 370,551,131   | 300,399,820               | -  | 300,399,820               |
| <b>Balance as at 31 December 2019</b>                        | -   | -                         | (651,464,312)                  | 5,520,904                      | 637,256,375   | (8,687,033)               | -  | (8,687,033)               |

# Wastewater Management Authority - Financial Statements

UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

## STATEMENT OF CASH FLOWS

|   | Period ended<br>31 Dec 20 | Period ended<br>31 Dec 19 |
|---|---------------------------|---------------------------|
|   | Unaudited<br>(Rs)         | Unaudited<br>(Rs)         |
| <b>Cash flows from operating activities</b>     |                           |                           |
| <b>Receipts</b>                                 |                           |                           |
| Taxation  | -                         | -                         |
| Fees, fines, penalties and licenses             | 220,261,218               | 204,202,856               |
| External grants and aid                         | -                         | -                         |
| Finance income                                  | -                         | -                         |
| Sales of goods & services                       | -                         | -                         |
| Rent & royalties                                | -                         | -                         |
| Receipts of Special Funds                       | -                         | -                         |
| Other receipts                                  | 14,752,684                | 20,220,678                |
|   | <b>235,013,902</b>        | <b>224,423,534</b>        |
| <b>Payments</b>                                 |                           |                           |
| Compensation of employees                       | (119,942,583)             | (119,157,392)             |
| Retirement Benefits                             | (154,499)                 | (34,593)                  |
| Grants and other transfer payments              | -                         | -                         |
| Social benefits                                 | (2,798,768)               | (3,472,359)               |
| Supplies and consumables used                   | (2,804,357)               | (3,061,508)               |
| Payments by Special Funds                       | -                         | -                         |
| Other payments                                  | (92,800,745)              | (78,108,483)              |
|   | (218,500,952)             | (203,834,335)             |
| <b>Net cash flows from operating activities</b> | <b>16,512,950</b>         | <b>20,589,199</b>         |
| <b>Cash flows from investing activities</b>     |                           |                           |
| Dividends received from associates              | -                         | -                         |

# Wastewater Management Authority - Financial Statements

UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

## STATEMENT OF CASH FLOWS

|  | Period ended<br>31 Dec 20 | Period ended<br>31 Dec 19 |
|--|---------------------------|---------------------------|
|  | Unaudited<br>(Rs)         | Unaudited<br>(Rs)         |
| Dividends received from non-controlling interests in subsidiaries      | -                         | -                         |
| Withdrawal from income of quasi corporations                           | -                         | -                         |
| Purchase of property, plant, equipment and intangible assets           | (27,154,216)              | (27,972,557)              |
| Capital projects   | (103,969,865)             | (201,427,193)             |
| Proceeds from sale of property, plant and equipment                    | -                         | -                         |
| Release of accruals  | (53,078,200)              | (18,902,233)              |
| Purchase of new investments and other securities                       |                           |                           |
| Proceeds from sale of investments and other securities                 |                           |                           |
| Advances and receivables from loans (staff)                            | (845,697)                 | (2,124,008)               |
| Proceeds from repayment of advances and receivables from loans         |                           |                           |
| Purchase of investments in controlling entities                        |                           |                           |
| Purchase of investments in associates                                  |                           |                           |
| Purchase of investments in joint ventures                              |                           |                           |
| <b>Net cash flows (used)/from investing activities</b>                 | <b>(185,047,978)</b>      | <b>(250,425,991)</b>      |
| <b>Cash flows from financing activities</b>                            |                           |                           |
| Proceeds from borrowings   | 20,674,122                | 28,764,819                |
| Funds received as Equity & Shares from Government for Capital Projects | 41,555,158                | 387,301,870               |
| Repayment/redemption of borrowings                                     |                           |                           |
| Issue of shares to non-controlling interest                            |                           |                           |
| <b>Net cash flows from financing activities</b>                        | <b>62,229,280</b>         | <b>416,066,689</b>        |
| <b>Net increase/(decrease) in cash and cash equivalents</b>            | <b>(106,305,748)</b>      | <b>186,229,897</b>        |
| <b>Cash and cash equivalents at beginning of year</b>                  | <b>147,410,495</b>        | <b>41,167,326</b>         |
| Foreign-exchange gains/(losses) on cash                                | -                         | 952,149                   |
| <b>Cash and cash equivalents at end of year</b>                        | <b>41,104,747</b>         | <b>228,349,372</b>        |

## Wastewater Management Authority - Financial Statements

| <b>UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2020</b> |                                |   |                    |                    |                                |   |                    |                    |
|--|--------------------------------|---|--------------------|--------------------|--------------------------------|---|--------------------|--------------------|
| <b>STATEMENT OF COMPARISON OF BUDGET ESTIMATES AND ACTUAL AMOUNTS</b>        |                                |   |                    |                    |                                |   |                    |                    |
| (Classification of Expenses by Nature)                                       |                                |   |                    |                    |                                |   |                    |                    |
|  | Quarter ended 31 December 2020 |   |                    |                    | Quarter ended 31 December 2019 |   |                    |                    |
|  | Original<br>Estimates          | Total<br>Provisions<br>after<br>Supplementary<br>Appropriation<br>and | Actual<br>Amount   | Difference<br>(N2) | Original<br>Estimates          | Total<br>Provisions<br>after<br>Supplementary<br>Appropriation<br>and | Actual<br>Amount   | Difference<br>(N2) |
|  | (a)                            | (b)   | c                  |                    | (a)                            | (b)   | c                  |                    |
|  | Rs                             | Rs  | Rs                 | Rs                 | Rs                             | Rs  | Rs                 | Rs                 |
| <b>Revenue</b>   |                                |   |                    |                    |                                |   |                    |                    |
| Taxation   | -                              | -   | -                  | -                  | -                              | -   | -                  |                    |
| Fees, fines, penalties and licenses  | 116,250,000                    | -   | 101,010,375        | 15,239,625         | 113,000,000                    | -   | 106,670,341        | 6,329,659          |
| External grants and aid  | -                              | -   | -                  | -                  | -                              | -   | -                  | -                  |
| Proceeds from Borrowings   | -                              | -   | -                  | -                  | -                              | -   | -                  | -                  |
| Capital Receipts   | -                              | -   | -                  | -                  | -                              | -   | -                  | -                  |
| Other Receipts   | 12,000,000                     | -   | 5,674,728          | 6,325,272          | 10,749,260                     | -   | 10,144,230         | 605,030            |
| <b>Total Revenue</b>   | <b>128,250,000</b>             | <b>-</b>  | <b>106,685,103</b> | <b>21,564,897</b>  | <b>123,749,260</b>             | <b>-</b>  | <b>116,814,571</b> | <b>6,934,689</b>   |
| <b>Expenses</b>  |                                |   |                    |                    |                                |   |                    |                    |
| Compensation of employees  | 72,000,000                     | -   | 70,322,528         | 1,677,472          | 68,500,000                     | -   | 67,287,651         | 1,212,349          |
| Retirement benefits  | 216,425                        | -   | 95,739             | 120,686            | 75,000                         | -   | 34,639             | 40,361             |
| Grants and other transfer payments   | -                              | -   | -                  | -                  | -                              | -   | -                  | -                  |
| Social benefits  | 2,036,400                      | -   | 1,719,941          | 316,459            | 1,849,150                      | -   | 1,810,337          | 38,813             |
| Supplies and consumables used  | 1,811,500                      | -   | 1,727,163          | 84,337             | 2,400,000                      | -   | 2,353,902          | 46,098             |

## Wastewater Management Authority - Financial Statements

| <b>UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2020</b> |                                |   |                      |                     |                                |   |                     |                     |
|--|--------------------------------|---|----------------------|---------------------|--------------------------------|---|---------------------|---------------------|
| <b>STATEMENT OF COMPARISON OF BUDGET ESTIMATES AND ACTUAL AMOUNTS</b>        |                                |   |                      |                     |                                |   |                     |                     |
| (Classification of Expenses by Nature)                                       |                                |   |                      |                     |                                |   |                     |                     |
|  | Quarter ended 31 December 2020 |   |                      |                     | Quarter ended 31 December 2019 |   |                     |                     |
|  | Original<br>Estimates          | Total<br>Provisions<br>after<br>Supplementary<br>Appropriation<br>and | Actual<br>Amount     | Difference<br>(N2)  | Original<br>Estimates          | Total<br>Provisions<br>after<br>Supplementary<br>Appropriation<br>and | Actual<br>Amount    | Difference<br>(N2)  |
|  | (a)                            | (b)   | c                    |                     | (a)                            | (b)   | c                   |                     |
|  | Rs                             | Rs  | Rs                   | Rs                  | Rs                             | Rs  | Rs                  | Rs                  |
| Depreciation and amortization expense  | 32,500,000                     | -   | 36,339,746           | (3,839,746)         | 32,500,000                     | -   | 35,212,298          | (2,712,298)         |
| Impairment of property, plant and equipment                                  | -                              | -   | -                    | -                   | -                              | -   | -                   | -                   |
| Other expenses   | 63,500,000                     | -   | 62,636,341           | 863,659             | 42,500,000                     | -   | 41,854,231          | 645,769             |
| Finance costs  | 30,000,000                     | -   | 25,017,564           | 4,982,436           | 38,000,000                     | -   | 36,004,796          | 1,995,204           |
| Acquisition of Non-Financial Assets  | 12,000,000                     | -   | 11,682,470           | 317,530             | 11,600,000                     | -   | 11,372,594          | 227,406             |
| Acquisition of Financial Assets  | 1,300,000                      | -   | 1,262,000            | 38,000              | 1,000,000                      | -   | 756,875             | 243,125             |
| Capital Repayments   | 68,509,250                     | -   | -                    | 68,509,250          | 61,434,630                     | -   | -                   | 61,434,630          |
| <b>Total Expenses</b>  | <b>283,873,575</b>             | <b>-</b>  | <b>210,803,492</b>   | <b>73,070,083</b>   | <b>259,858,780</b>             | <b>-</b>  | <b>196,687,323</b>  | <b>63,171,457</b>   |
| Contingencies (N3)   |                                |   |                      |                     |                                |   |                     |                     |
| <b>Total Expenses including Contingencies</b>                                | <b>283,873,575</b>             |   | <b>210,803,492</b>   | <b>73,070,083</b>   | <b>259,858,780</b>             |   | <b>196,687,323</b>  | <b>63,171,457</b>   |
| <b>Excess of Expenses over Revenue</b>                                       | <b>(155,623,575)</b>           |   | <b>(104,118,389)</b> | <b>(51,505,186)</b> | <b>(136,109,520)</b>           |   | <b>(79,872,752)</b> | <b>(56,236,768)</b> |

# Wastewater Management Authority - Financial Statements

## Notes to the Interim Financial Statements for the period ended 31 December 2020

### 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. A committee has been set up to review legal framework of WMA Act and other standing legal instruments.

### 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. 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 1<sup>st</sup> July 2017.

### 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 operational and financial activities started in September 2001.

# Wastewater Management Authority - Financial Statements

## Notes to the Interim Financial Statements for the period ended 31 December 2020

### 4.1 Reporting Currency (Rs)

The WMA Financial Statements are prepared in the domicile currency and any foreign transactions are converted to rupees and differences recorded as gain or losses in exchange rate.

### 4.2 Reporting Period

The current reporting period is 3 months Financial Statement ending 31 December 2020.

### 4.3 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. Land, Building, Pumping Stations and Treatment Plant presently used by WMA for its operational activities are owned by the Government. For assets under construction, no depreciation is charged until completion/ commissioning.

#### 4.4 The Annual Depreciation is as follows:

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



# Wastewater Management Authority - Financial Statements

## Notes to the Interim Financial Statements for the period ended 31 December 2020

### 4.5 Derecognition

The PPE carrying must be derecognised:

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

### 4.6 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. For the period ended 30 September, no impairment test was carried out.

### 4.7 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: CAPER-Core Activities Planning Execution Review
- ERP-Enterprise Resource Planning, attendance system

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

### 4.8 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.

# Wastewater Management Authority - Financial Statements

## Notes to the Interim Financial Statements for the period ended 31 December 2020

### 4.9 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 Equipment
- Spare Parts
- Return from Projects (Unusable)
  - Manhole Covers
  - Pipelines
  - Other Items

Clearly identifiable items are directly classified or to usable items or assets with carrying value.

### 4.10 Revenue Recognition

The prescribed accounting treatment for revenue recognition from exchange of transactions, services and events:

- 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 |
| License 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                             |

# Wastewater Management Authority - Financial Statements

## Notes to the Interim Financial Statements for the period ended 31 December 2020

### 4.11 Defined Contribution Plan

WMA has adopted the defined contribution plan for all permanent and pensionable members of staff who joined the Authority after 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.

### 4.12 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.

### 4.13 Contributions to the National Pension Scheme (NPS)/ Contribution Sociale Generalisee (CSG)

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. As from 1<sup>st</sup> September 2020, contributions to CSG instead of NPS on behalf of all employees, are expensed in the Statement of Financial Performance.

### 4.14 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:

| Related Parties                              | Interest                       | Influence                           |
|--|--------------------------------|-------------------------------------|
| Ministry of Energy and Public Utilities      | Delegated power to WMA         | Approve budgets and regulate tariff |
| Ministry of Finance and Economic Development | None                           | Funding Project                     |
| Central Water Authority                      | Management of customer account | None                                |
| Individual                                   | None                           | None                                |

# Wastewater Management Authority - Financial Statements

## Notes to the Interim Financial Statements for the period ended 31 December 2020

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

## Wastewater Management Authority- Financial Statements

### Notes to the Interim Financial Statements for the period ended 31 December 2020

#### 5. Property, Plant & Equipment (PPE)

| Summary of PPE              | Jul 20- Dec<br>20 Rs | 2019-20 Rs           |
|-----------------------------|----------------------|----------------------|
| Property, Plant & Equipment | 147,046,676          | 130,184,292          |
| Capital Projects            | 3,256,243,944        | 3,320,735,059        |
| Assets under construction   | 861,224,462          | 776,806,223          |
| <b>Total</b>                | <b>4,264,515,082</b> | <b>4,227,725,574</b> |

#### 5.1 Property, Plant & Equipment

| Cost/Valuation                    | Building<br>Rs    | IT Equipment<br>Rs | O&M<br>Equipment<br>Rs | Office<br>Equipment<br>Rs | Furniture<br>Rs   | Vehicles<br>Rs    | Total<br>Rs        |
|-----------------------------------|-------------------|--------------------|------------------------|---------------------------|-------------------|-------------------|--------------------|
| At 1 July 20                      | 28,999,758        | 22,964,366         | 80,967,756             | 9,743,449                 | 9,948,731         | 71,548,801        | 224,172,861        |
| Additions                         | 13,810,909        | 681,298            | 11,944,723             | 165,415                   | 551,869           | -                 | 27,154,214         |
| Stock                             |                   |                    | (2,409,112)            |                           |                   |                   | (2,409,112)        |
| <b>At 31 December 2020</b>        | <b>42,810,667</b> | <b>23,645,664</b>  | <b>90,503,367</b>      | <b>9,908,864</b>          | <b>10,500,600</b> | <b>71,548,801</b> | <b>248,917,963</b> |
| <b>Depreciation</b>               |                   |                    |                        |                           |                   |                   |                    |
| At 1 July 20                      | 71,194            | 9,748,367          | 35,236,186             | 7,433,391                 | 8,393,484         | 33,105,947        | 93,988,569         |
| Charge for the year               | 113,494           | 1,703,071          | 3,790,987              | 106,683                   | 194,781           | 1,973,702         | 7,882,718          |
| <b>At 31 December 2020</b>        | <b>184,688</b>    | <b>11,451,438</b>  | <b>39,027,173</b>      | <b>7,540,074</b>          | <b>8,588,265</b>  | <b>35,079,649</b> | <b>101,871,287</b> |
| <b>NBV as at 31 December 2020</b> | <b>42,625,979</b> | <b>12,194,226</b>  | <b>51,476,194</b>      | <b>2,368,790</b>          | <b>1,912,335</b>  | <b>36,469,152</b> | <b>147,046,676</b> |
| <b>NBV as at 30 June 2020</b>     | <b>28,928,565</b> | <b>13,215,999</b>  | <b>45,731,570</b>      | <b>2,310,058</b>          | <b>1,555,247</b>  | <b>38,442,853</b> | <b>130,184,292</b> |

## Wastewater Management Authority- Financial Statements

### Notes to the Interim Financial Statements for the period ended 31 December 2020

#### 5.2 Capital Projects

Capital Projects disclosed on the face of the financial position has been re classified under the Plant Property Equipment as from July 2018 and shall be disclosed as Plant Property Equipment. There is no material assessment that require disclosure with respect to its impact on the financial position of the Authority.

| Cost/Valuation              | Projects<br>funded by<br>WMA | Projects funded by<br>Govt | Borrowing<br>costs | Total July 20-Dec<br>20 |
|-----------------------------|------------------------------|----------------------------|--------------------|-------------------------|
|                             | RS                           | RS                         | RS                 | RS                      |
| <b>At 1 July 20</b>         | 85,045,315                   | 3,416,819,258              | 269,164,721        | 3,771,029,294           |
| Additions                   | -                            | -                          | -                  | -                       |
| <b>At 31 December 2020</b>  | <b>85,045,315</b>            | <b>3,416,819,258</b>       | <b>269,164,721</b> | <b>3,771,029,294</b>    |
| <b>Depreciation</b>         |                              |                            |                    |                         |
| <b>At 1 July 20</b>         | 21,764,577                   | 393,540,155                | 34,989,503         | 450,294,235             |
| Charge for the year         | 1,240,245                    | 59,847,881                 | 3,402,989          | 64,491,115              |
| <b>At 31 December 20</b>    | <b>23,004,822</b>            | <b>453,388,036</b>         | <b>38,392,492</b>  | <b>514,785,350</b>      |
| <b>NBV as at 31 Dec 20</b>  | <b>62,040,493</b>            | <b>2,963,431,222</b>       | <b>230,772,229</b> | <b>3,256,243,944</b>    |
| <b>NBV as at 30 June 20</b> | <b>65,761,226</b>            | <b>2,845,680,720</b>       | <b>237,380,731</b> | <b>3,148,822,677</b>    |

# Wastewater Management Authority- Financial Statements

## Notes to the Interim Financial Statements for the period ended 31 December 2020

### 5.3 Assets under construction

Capital Projects under construction classified as work in progress under Inventory has been reclassified under Plant, property and Equipment. No depreciation is charged until completion/ commissioning

|                  | December 20<br>Rs  | June 20<br>Rs      |
|------------------|--------------------|--------------------|
| Work in Progress | 861,224,462        | 776,806,223        |
| <b>Total</b>     | <b>861,224,462</b> | <b>776,806,223</b> |

### 6. Intangibles Assets

|                               | Rs                |
|-------------------------------|-------------------|
| At 1 July 20                  | 12,634,090        |
| Additions                     | -                 |
| At 31 Dec 20                  | 12,634,090        |
| <b>Amortisation</b>           |                   |
| At 1 July 20                  | 311,181           |
| Charge for the year           | 86,185            |
| At 31 Dec 20                  | 397,366           |
| <b>NBV as at 31 Dec 20</b>    | <b>12,236,724</b> |
| <b>NBV as at 30 June 2020</b> | <b>12,322,909</b> |

## Wastewater Management Authority- Financial Statements

### Notes to the Interim Financial Statements for the period ended 31 December 2020

#### 7.0 Environmental protection

|  | <b>31 Dec 20</b>   | <b>31 Dec 19</b>   |
|--|--------------------|--------------------|
|  | <b>Rs</b>          | <b>Rs</b>          |
| Staff & Other Related Costs                | 72,138,209         | 69,182,627         |
| Motor Vehicle costs                        | 2,974,598          | 4,176,256          |
| Repair & Maintenance cost                  | 3,258,854          | 2,104,961          |
| Operation & Maintenance of Treatment Plant | 49,740,092         | 30,251,605         |
|  | <b>128,111,753</b> | <b>105,715,449</b> |

#### 8.0 Other Expenses

|                       | <b>31 Dec 20</b> | <b>31 Dec 19</b> |
|-----------------------|------------------|------------------|
|                       | <b>Rs</b>        | <b>Rs</b>        |
| Printing & Stationary | 197,182          | 520,961          |
| Office Expenses       | 329,580          | 592,839          |
| Rent                  | 3,757,125        | 3,757,125        |
| Income Collection Fee | 1,517,573        | 1,521,436        |
| Legal & Other Fees    | 2,588,499        | 1,232,950        |
|                       | <b>8,389,959</b> | <b>7,625,311</b> |

#### 9.0 Finance costs

|                  | <b>31 Dec 20</b>  | <b>31 Dec 19</b>  |
|------------------|-------------------|-------------------|
|                  | <b>Rs</b>         | <b>Rs</b>         |
| Interest on loan | 24,939,628        | 35,974,823        |
| Bank charges     | 77,936            | 29,973            |
|                  | <b>25,017,564</b> | <b>36,004,796</b> |



## Wastewater Management Authority- Financial Statements

### Notes to the Interim Financial Statements for the period ended 31 December 2020

| <b>10.0 Compensation of employees</b>       | <b>31 Dec 20</b>  | <b>31 Dec 19</b>  |
|---|-------------------|-------------------|
|   | <b>Rs</b>         | <b>Rs</b>         |
| Salaries                                    | 33,937,691        | 32,906,846        |
| Travelling                                  | 5,593,120         | 5,752,017         |
| Overtime                                    | 4,315,868         | 5,919,835         |
| Training of staff                           | 23,427            | 99,035            |
| Uniform & Protective Equipment              | 75,057            | 975,169           |
| Allowance                                   | 4,050,860         | 3,074,459         |
| Employee benefits                           | 4,012,813         | 2,830,771         |
| Pension                                     | 7,272,973         | 4,734,384         |
| Bonus                                       | 11,040,719        | 10,995,135        |
|   | <b>70,322,528</b> | <b>67,287,651</b> |
| <br>  |                   |                   |
| <b>11.0 Retirement benefits</b>             | <b>31 Dec 20</b>  | <b>31 Dec 19</b>  |
|   | <b>Rs</b>         | <b>Rs</b>         |
| Gratuity                                    | <b>95,739</b>     | <b>34,639</b>     |
| <br>  |                   |                   |
| <b>12.0 Social benefits</b>                 | <b>31 Dec 20</b>  | <b>31 Dec 19</b>  |
|   | <b>Rs</b>         | <b>Rs</b>         |
| Staff welfare                               | 1,116,781         | 1,183,785         |
| Medical scheme                              | 603,160           | 626,552           |
|   | <b>1,719,941</b>  | <b>1,810,337</b>  |
| <br>  |                   |                   |
| <b>13.0 Supplies &amp; Consumables used</b> | <b>31 Dec 20</b>  | <b>31 Dec 19</b>  |
|   | <b>Rs</b>         | <b>Rs</b>         |
| Printing & Stationary                       | 116,022           | 335,751           |
| Office expenses                             | 312,954           | 401,953           |
| Petrol & Diesel                             | 1,298,187         | 1,616,198         |
|   | <b>1,727,163</b>  | <b>2,353,902</b>  |

## Wastewater Management Authority- Financial Statements

### Notes to the Interim Financial Statements for the period ended 31 December 2020

| <b>14.0 Other Expenses</b>                 | <b>31 Dec 20</b>  | <b>31 Dec 19</b>  |
|--|-------------------|-------------------|
|  | <b>Rs</b>         | <b>Rs</b>         |
| Motor Vehicle costs                        | 1,583,709         | 2,515,938         |
| Repair & Maintenance cost                  | 3,158,806         | 2,153,678         |
| Operation & Maintenance of Treatment Plant | 49,740,092        | 30,251,605        |
| Advertising & others                       | 290,536           | 421,499           |
| Legal & Other fees                         | 2,588,500         | 1,232,950         |
| Income Collection fees                     | 1,517,573         | 1,521,436         |
| Rent                                       | 3,757,125         | 3,757,125         |
|  | <b>62,636,341</b> | <b>41,854,231</b> |