



REPORT OF THE DIRECTOR OF AUDIT

**On the Financial Statements
of the Statutory Bodies Family Protection Fund
for the year ended 30 June 2022**

NATIONAL AUDIT OFFICE



NATIONAL AUDIT OFFICE

REPORT OF THE DIRECTOR OF AUDIT TO THE BOARD OF THE STATUTORY BODIES FAMILY PROTECTION FUND

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of Statutory Bodies Family Protection Fund, which comprise the statement of financial position as at 30 June 2022 and the statement of financial performance, statement of changes in net assets/equity, cash flow statement and the statement of budget and actual amounts for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the Statutory Bodies Family Protection Fund as at 30 June 2022, and of its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Statutory Bodies Family Protection Fund in accordance with the INTOSAI Code of Ethics together with the ethical requirements that are relevant to my audit of the financial statements in Mauritius, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IPSASs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Statutory Bodies Family Protection Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Statutory Bodies Family Protection Fund'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 Statutory Bodies Family Protection Fund'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 Statutory Bodies Family Protection Fund'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 Statutory Bodies Family Protection Fund 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 for ensuring that the operations of the Statutory Bodies Family Protection Fund 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 activities, financial transactions and information reflected in the financial statements are, in all material respects, in compliance with the laws and authorities which govern them; and
- (c) satisfactory management measures have been taken to ensure that resources are procured economically and utilised efficiently and effectively.

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.

Opinion on Compliance

Statutory Bodies Family Protection Fund 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 records of Statutory Bodies Family Protection Fund, nothing has come to my attention that causes me to believe that:

- (a) the activities, financial transactions and information reflected in the financial statements are, in all material respects, not in compliance with the Statutory Bodies Family Protection Fund Act; and
- (b) satisfactory management measures have not been taken to ensure that resources are procured economically and utilised efficiently and effectively.



DR. D. PALIGADU
Director of Audit

National Audit Office
Level 14,
Air Mauritius Centre
PORT LOUIS

16 August 2023

**STATUTORY BODIES FAMILY
PROTECTION FUND**

**ANNUAL REPORT
FOR THE YEAR ENDED
30 JUNE 2022
(AMENDED)**



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STATUTORY BODIES FAMILY PROTECTION FUND

Annual Report for the Year 2021/2022

Corporate Governance Report

Compliance Statement:

Reporting Period: 1 July 2021 to 30 June 2022

Background

The Statutory Bodies Family Protection Fund falls under the aegis of the Ministry of Local Government and Disaster Risk Management.

The Statutory Bodies Family Protection Fund formerly known as the Widows' and Orphans' (Statutory Bodies) Pension Fund was established by Ordinance 41 of 1966 to provide for the payment of a monthly pension to spouses of Municipal employees, District Councils, Sugar Industry Labour Welfare Fund and the Town and Country Planning Board, who die whilst still in service or after retirement.

Objectives

- To ensure the well-being of our members, pension beneficiaries and employees.
- To provide continuous training and staff motivation to keep pace with development trend and to meet daily challenges.
- To improve the financial base of the Organization
- To promote its growth.

Our Vision

- We desire to place our organisation on the same footing as other institutions in the financial sector offering invaluable services to the whole community of pensioners and affiliated members and also diversifying our activities.

Our Mission

- We endeavour to provide an excellent level of service to the members and beneficiaries backed by up-to-date information technology and professional support.

Our Values:

- *Customer Care*

To offer best services to our pensioners, associates, and members of the public.

- *Innovative*

Tailoring services to meet changing customer needs, to improve efficiency and competitiveness.

➤ *Integrity*

Application of Good Governance and honesty in our day-to-day activities.

➤ *Teamwork*

Provide service with enthusiasm and speed.

➤ *Diversity.*

Provide equal opportunity to all.

GOVERNANCE STRUCTURE

Conduct of affairs

The objective of the Board is to define the Fund's purpose, strategy and values and determine all matters relating to the direction, policies, practices, management and operations of the Fund.

Statement of Accountability by the Board

- The Board assumes the responsibility for leading and controlling the Fund and meeting all legal and regulatory requirements. Directors are aware of their legal duties.
- The Board is accountable for the performance and affairs of the Fund and for achieving sustainable growth.
- The Board is responsible for ensuring that the Fund adheres to high standards of ethical behaviour and acts in the best interest of associates.
- The Board has the responsibility of reviewing and approving the results announcements of the Fund.
- The Board is accountable in respect of all deliberations and thereafter administered by the Manager of the Fund.

Reporting Obligations

The Board approves the accounts and reports of the Fund within the required time limit for submission to the Ministry and for Auditing to the National Audit Office.

Key roles and responsibilities

Chairperson;

Provides overall leadership to the Board.

Ensures that the Board is effective in its tasks of setting and implementing direction and strategy.

Presides and conducts meetings effectively

Ensures that the Directors receives accurate, timely, and clear information

Directors:

Contribute to the development of strategy
Ensure that financial information released to the stakeholders are accurate
Ensure that the Fund has adequate and proper financial controls and systems of risk management
Actively participate in decision- making
Provide specialist knowledge and experience to the Board.
Remain permanently bound by fiduciary duties of care and skill.

Secretary:

Ensure compliance with all relevant statutory and regulatory requirements
Provides the Board as a whole and directors individually with guidance as to their roles and responsibilities.
Assist the chairperson in governance processes such as Board and Committees evaluation.
Develop and circulate agendas for meetings and drafts minutes and ensures follow ups.
Ensures that the shareholders' interests are taken care of and acts as primary point of contact.

Profile of Directors

1. Mr Virendra Kumarsingh DABY

Mr Virendra Kumarsingh DABY is the Chairperson of the Board since December 2021. He is the Senior Chief Executive of the Ministry of Local Government and Disaster Risk Management.

2. Mr Mahfooz Moussa CADERSAIB

Mr M M Cader Saib is the Lord Mayor of the Municipal Council of Port Louis and is the representative of Association of Urban Authorities.

3. Mr. Vageesh RAMDUNY

Mr V Ramduny is the Vice-President of the Moka District Council and is the representative of the Association of District Councils.

4. Mr Vineshsing SEEPARSAD

Mr V Seeparsad is the Chief Executive at the Municipal Council of Port Louis and is the representative of Association of Urban Authorities.

5. Mr Dheeraj GOPAUL

Mr D Gopaul is the Chief Executive of Flacq District Council and is the representative of the Association of District Councils

6. Mrs Soodevi RUTTUN

Mrs S Ruttun is the Assistant Treasurer of the Municipality of Curepipe Workers Union.

She is employed at the Municipal Council of Curepipe in the field of Accountancy. She is also a member of the FCCA and holder of MBA.

7. Mr Soorieydeo MUNGROO

Mr S Mungroo is employed at the Sugar Industry Labour Welfare Fund. He is the General Secretary of SILWF Staff and Employees Union.

8. Mr Darma SIVADILINGOM

Mr D Sivadilingom is employed at Black River District Council. He is the Public Relations Officer of Local Authorities Employees Union

9. Mr Randhir CANAYAH

Mr R Canayah is the Treasurer of Rural Local Government Staff Association. He is employed at the Municipal Council of Curepipe.

Profile of Senior Management

Ms Bindoomatee RAMNAWAZ -Manager

Ms B.Ram Nawaz is a Fellow Chartered Certified Accountant with considerable expertise in Accounting and Auditing and holds a MBA in Financial Services from the University of London School of Business and Finance accredited by the University of East London. She is the Manager of the Fund Since Oct 2012 to date and assigned the duties of Manager since Jan 2010. She joined the Fund as Assistant Manager/Accountant in July 2008. Prior to her current role, she has worked in different Ministries/Department, National Audit Office and Local Authority.

Corporate Information:

Body: Statutory Bodies Family Protection Fund

Registered Office: Galerie Remy Ollier Building Port Louis.

THE STRUCTURE OF THE BOARD AND ITS COMMITTEES

Board Members are appointed by the Minister, approved by the Cabinet and gazetted.

The Board consists of nine Non-Executive Directors

Sub-committees are constituted by the Board composed of chairperson and three members

The Board Structure for the period July 2021 to December 2021 constituted as follows:

Mrs D C Anandi Rye SEEWOORUTHUN- Chairperson

Mr M.M. CADERSAIB-Member

Mr S TEELUCK -Member

Mr V RAMDHUNY-Member

Mr D GOPAUL-Member

Mr M S ACKBURALLY-Member

Mrs S RUTTUN-Member

Mr C MOOKEN-Member

Mr L F WILSON-Member

The Board Structure for the period January to June 2022 constituted as follows:

Mr V. K DABY- Chairperson

Mr M.M. CADERSAIB-Member

Mr V.RAMDUNY-Member

Mr V SEEPARSAD-Member

Mr D GOPAUL-Member

Mr D SIVADILINGOM-Member

Mrs S RUTTUN-Member

Mr S MUNGROO-Member

Mr R CANAYAH-Member

Sub-Committees of the Board w.e.f 01.07.2021

Staff Committee 2021/22 composed of:

Mr V SEEPARSAD -Chairman
Mr M M CADERSAIB-Member
Mr S MUNGROO-Member
Mr R CANAYAH -Member

Audit Committee 2021/22 composed of:

Mr D GOPAUL-Chairman
Mr V RAMDHUNY- Member
Mr D SIVADILINGUM -Member
Mrs S RUTTUN-Member

Adhoc Committee 2021/22 composed of:

Mr V SEEPARSAD-Chairman
Mr M.M.CADERSAIB-Member
Mr D GOPAUL---Member
Mr V.RAMDHUNY-Member
Mr S.MUNGROO -Member
MR D SIVADILINGUM- Member
Mrs S RUTTUN-Member
Mr R CANAYAH-Member

Investment Committee: wef Oct2021

Mr R BULDEWO FCCA-Chairperson
Mr G CHARLES (Mr I NUNLOLL in replacement) FCCA-Member
Mr Raj APPADOO-PFO Member
Mrs Mirella Bundhun-Secretary

Legal Advisor: Me Jean Didier Kersley PURSUN, Attorney at Law since year 2015

Auditor: National Audit Office

Board Committees 2021/2022

Number of Board Meetings held during the year: Ten
Number of Audit Committees held during the year: Four
Number of Staff Committees held during the year: Nil
Number of Ad-hoc Committee held during the year: Three
Number of Investment Committees held during the year: Eight

Attendance at Board and sub committees meetings during the financial year 2021/2022:

Name	Committees					
	Board	Staff	Audit	Ad-hoc	All	Committee Fees
	<i>Presences</i>	<i>Presences</i>	<i>Presences</i>	<i>Presences</i>	<i>Absences</i>	<i>Jul 2021 to Jun2022</i>
<u>From July to Dec 2021</u>						Rs
MrsD C.A R SEEWOORUTHUN	<u>4</u>	-	-	-	-	172,368
Mr M.M. CADERSAIB	<u>3</u>	-	-	-	1	10,455
Mr V. RAMDUNY	<u>1</u>	-	2	-	3	3,410
Mr S TEELUCK	<u>1</u>	-	-	-	3	890
Mr D GOPAUL	<u>2</u>	-	2	-	2	14,140
Mrs S RUTTUN	<u>3</u>	-	1	-	2	7,045
Mr S M. ACKBURALLY	<u>4</u>	-	-	-	-	3,560
Mr C MOOKEN	<u>1</u>	-	-	-	3	890
Mr L F WILSON	<u>4</u>	-	2	-	-	5,190
<u>From Jan to June 2022</u>						-
Mr V K DABY	<u>6</u>	-	-	-	-	180,986
Mr M.M. CADERSAIB	<u>6</u>	-	-	3	-	-
Mr V. RAMDHUNY	<u>1</u>	-	-	-	10	-
Mr V SEEPARSAD	<u>6</u>	-	-	3	-	5,340
Mr D GOPAUL	<u>5</u>	-	2	-	4	-
Mrs S RUTTUN	<u>4</u>			-	7	-
Mr D SIVADILINGOM	<u>5</u>	-	2	3	1	8,525
Mr S MUNGROO	<u>6</u>	-	-	3	-	7,785
Mr R CANAYAH	<u>2</u>	-	-	-	6	1,780

Other Corporate Governance Issues

Directors Remuneration: As per Pay Research Bureau Report Recommendations

Material clauses of the constitution of the Board.

Board members are appointed by the Minister and the former remains in office until the next review.

The Board is responsible for appointment of employees as and when required. Board Decisions require at least five members presence to form a quorum and should be held at least once a year.

The Audit Committee should be held at least once quarterly.

Disclosure and Transparency of the affairs of the organisation.

SBFPF is committed to elevating our standards of disclosure and transparency and the quality and depth of its corporate governance practices to enable all our stakeholders to understand the true financial condition of the Organisation.

Audit Committee roles and responsibilities

The main roles and responsibilities of the Audit Committee include regular reviews and monitoring of the following:

- Effectiveness of the internal financial control systems
- Independence of the external audit process and assessment of the external auditor's performance.
- Compliance with accounting standards, local and international, and with legal requirements.
- Annual financial statements to be submitted to the Board.

The Audit Committee has deliberated their views and recommendations at its sitting held during the financial year 2021/22.

The recommendations of the Audit Committee have been approved by the Board of Directors and have been implemented by the management accordingly.

Internal Control and Internal Audit

Board's 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.

One of the roles of internal audit is to provide independent assurance that the organisation's internal controls processes are operating effectively. Internal audit is an integral part of the organisation and functions under the policies established by management and the Board. An Internal Audit Charter which defines internal audit purpose, authority, and responsibility within the organisation, has already been adopted by the Board.

SBFPF, has successfully implemented its Anti-Corruption Committee (ACC) in the financial year 2021-22. An Anti-Corruption Policy has been approved by the Board and has uploaded on SBFPF s website. The ACC will carry out its first Corruption Risk Assessment (CRA) on procurement procedures in the next financial year.

In future, SBFPF is planning to develop and establish a formal Risk Management Framework (RMF) with the support of Management and the Board.

Related Party Transactions Policy

The objective of this policy is to define the scope of conflicts of interest and related party transactions and to set out prudent rules.

Related Party Transactions have been disclosed in the notes to the Accounts to the Financial Statements and recorded in Board Minutes in accordance with International Public Sector Accounting Standards (IPSAS) 20 (Related Party Disclosures).

The Manager of the Fund also acts as secretary to the Board.

Ethics and Values within the organisation

The Board members, employees, and all stakeholders of SBFPF are expected to observe the highest standard of ethical behaviour when discharging their duties, engaging stakeholders and when conducting any business dealings in and outside the Organisation. The Code of Ethics, outlines the ethical principles based on the Organisation's core values and further sets out the behavioural expectations of all employees. The Board acknowledges that compliance with legislative and regulatory requirements is paramount in all transactions and business dealings and provides oversight on all protocol processes within the Organisation. In view thereof, compliance responsibility is assigned to all employees in ensuring conformance to all applicable laws, standard, codes, rules, and regulations.

Corporate Objectives Statement

Introduction

The Statutory Bodies Family Protection Fund formerly known as the Widows' and Orphans' (Statutory Bodies) Pension Fund was established by Ordinance 41 of 1966 to provide for the payment of a monthly pension to spouses of Municipal employees, District Councils, Sugar Industry Labour Welfare Fund and the Town and Country Planning Board, who pass away whilst still in service or after retirement.

The Fund is managed by a Board of Directors appointed by the Ministry of Local Government.

1. Objectives of the Organisation

Expected Output

- To ensure the well-being of our members, pension beneficiaries and employees.
- To provide continuous training and staff motivation to keep pace with development trend and to meet daily challenges.
- To ensure the correct amount of contribution is received and on a timely basis from the Councils.
- To ensure payment of pension to the right person.
- Payment of pension to beneficiaries on a timely basis.
- Investment of funds in a most secured and profitable manner.
- To establish a good Internal Control System.

Time frames

Output is measured and monitored on a monthly basis.

Value drivers

- Rate of Contribution
- Rate of Pension
- Repo Rates
- Number of applications for loans
- Customer service/care

Stakeholders

- Pensioners (widows, widowers and orphans)
- Associates
- Financial/Banking Institutions
- Employees
- Councils

2. Mission Statement

We are an organisation which caters mainly for the pension needs of beneficiaries of deceased employees from all Municipalities, District and other member Statutory Bodies.

We manage funds in the best possible manner to achieve a superior financial return balanced with our long-term growth, benefiting primarily our pensioners, associates and employees.

We have a dedicated staff having a sense of commitment for the welfare and improvement towards our pensioners and members.

We endeavour to provide an excellent level of service to the members and beneficiaries backed by up-to-date information technology and professional support.

3. Vision

We desire to place our organisation on the same footing as other institutions in the financial sector offering invaluable services to pensioners and affiliated members and diversifying our activities.

We shall endeavour to concentrate much of our efforts on innovative actions, teamwork, initiative, efficiency and competitiveness.

(a) Corporate Vision for 3 Years

To lay emphasis on the impact of the decreasing number of Associates and Contribution received following the amendment of the pension and SBFP Fund Act 2013 where Associates are no longer contributing to the Fund.

- To cater for the increasing number of pensioners.
- To establish a good and reliable information system.
- To look for investment opportunities in properties (Land & Building).
- Other investment opportunities to maximize our returns.
- To develop a sound working relationship with financial institutions so as to keep abreast with most recent investment opportunities.
- To increase the ceilings of loans to associates.
- To look for possible grants.
- To extend loan facilities other than personal purposes
- To extend loan facilities to non-members

Conclusion

Given the small size of the organisation, the limited staff composition and the recent changes in the contribution scheme it would be virtually impossible to build up a long-term plan. The changes would probably affect the going concern of the Fund. However, we shall within the three-year period try to implement the various strategies highlighted earlier to the best of our abilities and with the help of our parent Ministry especially in specific areas where the Minister will be solicited to approve certain schemes of a social character.

5. Expectations on Financial Performance

The Fund is expecting lower return from investments in the foreseeable future with current market conditions.

The Fund's Personal Loan Scheme is expecting to operate with lower returns and to help financially a large number of associates.

6. Expectations in respect of non- financial performance, Social, Economic, Political or Environmental

- The Fund has a major role to play in the sector of Financial Services and at the same time ensuring financial assistance to the family of deceased associates.
- Over and above its pension activities, the Fund also provides Housing and Personal Loan facilities to its members and probably expects to increase the ceilings during the coming years.
- The Fund is also expecting a relatively decreasing investment return being given that the repo and interest rate is continuously going down during the recessionary period.

During the last decade, pension issues have been in the limelight of international actuarial discussions and debates at National level.

The costs of pension provisions, employer/employee awareness, security of assets, customer communication have been thoroughly debated upon with the consequence that the last few years have seen an enhancement in regulatory powers and customer communication.

The Fund expects to improve the cost of pension provisions to some extent with the current amendments to Pension Act extending retirement age up to 65 years.

Following the amendments to the SBFPFund Act, people joining the local authority with effect from January 2013 are not subject to contribute to the Fund. Henceforth, the pension liability of the latter would no longer fall under the aegis of the Fund and on the other hand, considerably reduce the contribution income of the Fund.

7. Expected behaviour of Stakeholders

- Option for refund of contribution upon retirement.
- Payment of lifetime pension to invalid orphans
- To bridge the age limit discrimination gap between male and female orphans.

Financial Highlights

1. Membership

As at 30 June 2022, there were 4454 working associates and 564 retired associates under the Family Protection Scheme compared to 4734 active associates in 2020/21.

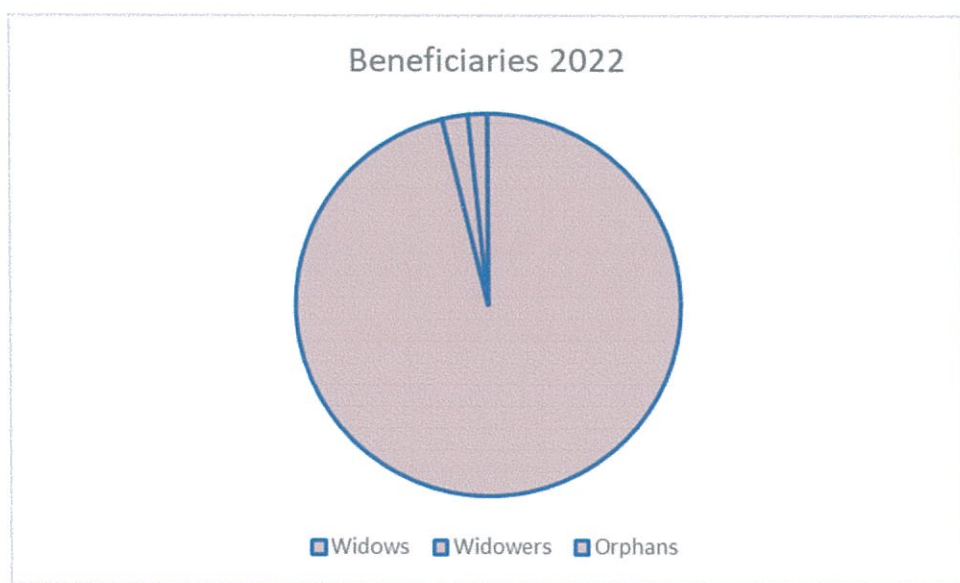
<u>Councils</u>	<u>No of Associates</u>	<u>Retired Associates</u>	<u>Total</u>
Port Louis	871	181	1033
Beau Bassin/Rose Hill	492	61	553
Quatre Bornes	463	52	515
Vacoas/Phoenix	539	89	628
Curepipe	248	59	307
SILWFund	545	77	622
Moka	146	-	146
Flacq	198	5	203
Pamplemousses	195	4	209
Riviere du Rempart	195	14	199
Grand Port	244	2	246
Savanne	163	1	164
Black River	156	16	172
Town & Country PB	8	-	8
SBFPProtection Fund	10	3	13

The number of associates is decreasing gradually following the amendment SBFPFund Act 2012 and the existing option for the refund of contribution (SBFPFund Act 1988).

2. Spouse's and Orphans' Pensions

The number of spouse and orphans receiving pension from the Fund during 2021/22 was as follows:

	<u>30.06.2022</u>	<u>30.06.2021</u>
Widows	1194	1152
Widowers	27	26
Orphans	19	17
	1240	1195

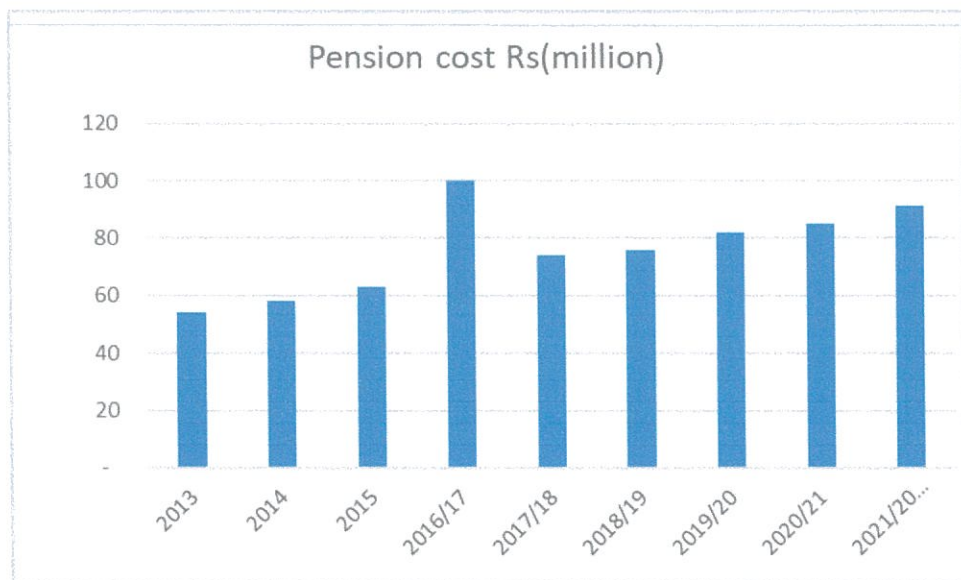


Total pensions paid for the year ended 2021/2022 amounted to Rs90,662,305/- compared to Rs84,977,381/-- for the year ended 2020/2021, representing an increase of approximately 6.70%. This increase is mainly attributable to the following factors: -

- (1) the payment of an extra remuneration to all pensioners as recommended by Government.
- (2) the payment of benefits to new pensioners.

Since the past ten years or so, the gross pension bill paid by the Fund has kept increasing as shown by the table and graphical representation below.

Year	Rs
2013	53,653,517
2014	58,334,889
2015	62,983,672
2016/17	99,858,219 (18 months)
2017/18	74,046,502
2018/19	75,911,356
2019/20	81,564,234
2020/2021	84,977,381
2021/22	90,662,305



3. Refund of Contribution

During the year 2021/2022, 144 associates obtained a full refund of contributions and 36 associates were refunded at age limit 60 option, amounting to Rs20,972,298/-, whilst in service, on grounds of age limit, dismissal and resignation and others. During 2020/21, the amount refunded was of the order of Rs17,549,615/-.

In line with the recommendation of the 2008 Pay Research Bureau report, the refund of contribution has been paid with compound interest in order to bring associates of the Fund on the same footing as associates of the Civil Service Family Protection Scheme.

4. Membership Contributions

Contributions received from associates and their employers amounted to Rs65,333,835/- for the year ended 2021/22 compared to Rs58,045,015/- for year ended 2020/21. There is a slight increase representing approximately 13% is mainly attributable to PRB 2021 salary revision and other facts remaining constant such as increase in retiring associates opting for a refund of contribution. Associates reaching age 60, have an option to stop employee contribution and on the other hand, all new employees are joining sicom pension scheme.

It is worth noting that the rate of employee/employer contribution has remained at the level of 2%, rounded to the next rupee, of gross salaries and is judged sufficient to sustain pension liabilities over the coming years

5. Investment

Investment in financial institutions has increased and stood at around Rs1,788 million as at 30 June 2022 compared to Rs1,687 million for the year ended 2020/2021 representing a rise of around 6% which is justified by a rise in market price of shares held by the Fund.

All deposits have been placed in Banking / Non-Banking institutions at market rates and at the same time ensuring security of the Fund's placements.

Income from investments over the year has increased from Rs50,257,132/ to Rs61,475,570/. Given the limited avenues for placement locally, it can be said that the level of Repo rate has slightly risen recently and Dividend has been paid during the year.

It is worth pointing out that the traditional deposits with banking institutions have risen slightly and interest rates for some banking institutions are competitive.

6. (i) Housing Loan Scheme

The Fund has resumed its housing loan activities since 2010. It is also worth noting that there is no demand for Housing Loan over the last 10 years.

(ii) Personal Loan

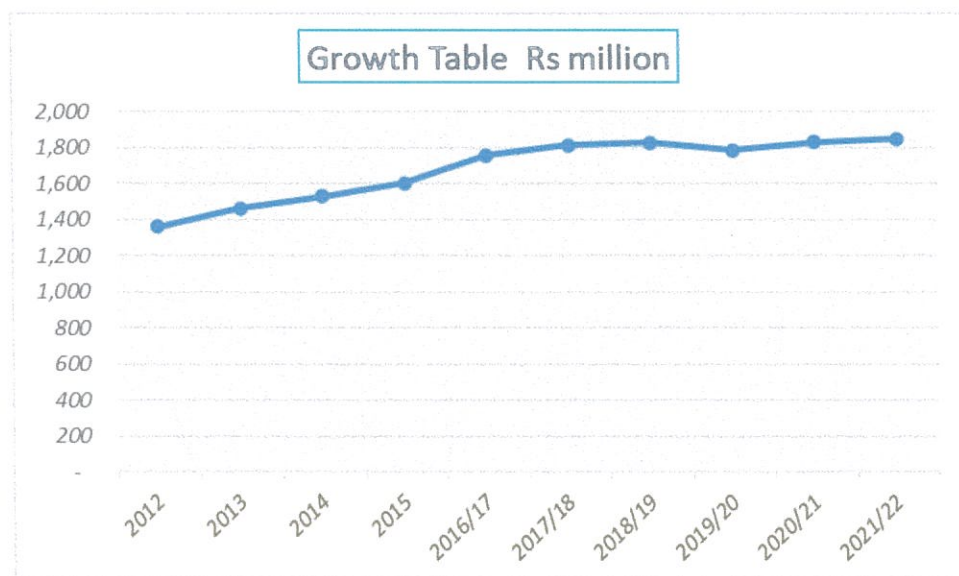
In the year 2011, the Fund has launched a Personal Loan Scheme of up to a maximum of Rs 100,000 per associate refundable over a period of 3 years. During the year 2021/22, the Fund has acknowledged around 135 applicants of personal loan, amounting to around Rs 10.60m. The amount of interest yielded from personal loan is around Rs2.0m at the existing rate of 9 % p.a.

7. Growth and Changes

The Fund has achieved immense progress since its inception in 1966, more particularly during the past two and a half decades with a reported growth of its accumulated fund to around Rs 1.8 bn.

In spite of a low market interest rates and the innumerable risks associated with placement in general, the Fund has successfully been able to diversify its investment portfolios to secure the highest possible returns.

Below is a graphical representation of the growth of the Fund during the past ten years.



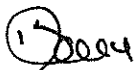
8. Conclusion

The Fund has realized a surplus of income during the year compared to a loss last year. Other factors causing a fall of income over the last years are numerous. The Fund has also catered for an additional provision to our defined benefit plan, the increasing trend of interest rates/ Repo rates, the refund of contribution to retired associates with compound interest at 4% which is beyond the ceiling of Repo Rate. A rise in the market price of shares has been positively noted this year. The Fund has recorded a surplus of Rs 12.5 million for the year. There is, however, an apprehension that with the existing recession affecting the capital market at national level, the Fund might see its income from investments relatively low compared to the amount of investment. The Fund also intends to expand the loan activities to some extent and coping with the decreasing number of associates. The Fund needs to diversify the investments, preferably through the acquisition and development of landed properties. This proposal needs the urgent attention and consideration of the Board of Directors of the Fund, and consultants in the field need to be approached for expert advice.

Acknowledgements

On behalf of the Chairperson and Board members, we wish to express our appreciation to the staff of the Fund for their continued dedication and hard work in achieving good results.

We would also like to place on record our thanks to the members of the previous Boards for their support and contribution.



MANAGER
B. RAMNAWAZ

30.06.2023

MB

STATUTORY BODIES FAMILY PROTECTION FUND

AMENDED

FINANCIAL STATEMENTS

For the year ended

30 June 2022

STATUTORY BODIES FAMILY PROTECTION FUND

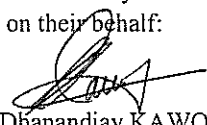
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

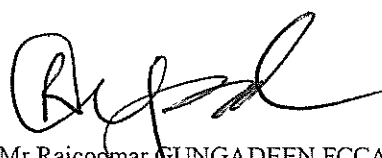
	Note	30 June 2022	30 June 2021
		Rs	Rs
ASSETS			
Current assets			
Cash and cash equivalents	9	20,387,510	11,731,164
Investment	10	419,500,000	793,950,000
Trade receivables	11	62,268,665	89,460,486
Loan receivables	12	11,073,850	14,890,259
Other receivables	13	3,558,750	232,315
		516,788,775	910,264,224
Non-current assets			
Investment	10	1,369,154,643	893,974,343
Trade receivables	11	16,255,357	41,936,511
Loan receivables	12	11,592,727	14,811,612
Property, plant and equipment	6	731,039	761,962
Intangible assets	7	90,969	362,439
		1,397,824,735	951,846,867
TOTAL ASSETS		1,914,613,510	1,862,111,091
LIABILITIES			
Current liabilities			
Creditors and payables	15	2,421,868	2,830,303
Short term employee benefits	16	200,546	370,833
		2,622,414	3,201,136
Non-current liabilities			
Retirement benefits obligations	14	21,867,041	20,579,903
Long term employee benefits	16	5,400,722	5,171,164
		27,267,763	25,751,067
TOTAL LIABILITIES		29,890,177	28,952,202
NET ASSETS		1,884,723,333	1,833,158,889
NET ASSETS / EQUITY			
Capital & Reserves			
Equity		1,533,776,330	1,521,892,186
Revaluation reserve	27	350,947,003	311,266,703
TOTAL NET ASSETS / EQUITY		1,884,723,333	1,833,158,889

The Amended Financial Statements were approved by the Statutory Bodies Family Protection Fund

Board on 20th July 2023

signed on their behalf:


Dr Dhanandjay KAWOL
CHAIRPERSON


Mr Rajcoomar GUNGADEEN FCCA
BOARD MEMBER

The notes on pages 5 to 27 form an integral part of these financial statements.

STATUTORY BODIES FAMILY PROTECTION FUND

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022

	<u>Note</u>	<u>30 June 2022</u>	<u>30 June 2021</u>
		Rs	Rs
Revenue: Exchange Transactions			
Contribution	18	65,333,836	58,045,015
Other income	20	2,565,061	2,949,861
Investment income	19	67,248,459	50,257,132
Total Revenue		135,147,356	111,252,008
<u>Less</u>			
Pensions		90,662,305	84,977,381
Staff costs	21	8,770,874	8,866,678
Administrative expenses	22	2,174,529	1,935,985
Refund of contribution		20,972,299	17,549,616
Total Expenditure		122,580,007	113,329,660
Surpplus / (Deficit) of income		12,567,349	(2,077,652)

The notes on pages 5 to 27 form an integral part of these financial statements.

STATUTORY BODIES FAMILY PROTECTION FUND

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 30 JUNE 2022

	Retained Earnings Rs	Revaluation Reserve Rs	Total Net Assets/Equity Rs
Balance as at 01 July 2020	1,518,726,503	268,595,645	1,787,322,148
Revaluation surplus/(loss)		42,671,058	42,671,058
Deficit of income for the year 2021	(2,077,652)		(2,077,652)
Actuarial gain(losses) on defined benefit plans	5,243,335		5,243,335
Balance as at 30.06.2021	1,521,892,186	311,266,703	1,833,158,889
Surplus of income for the year ended 30.06.2022	12,567,349		12,567,349
Actuarial Loss	(683,205)		(683,205)
Revaluation surplus/(loss) for the year 2022		39,680,300	39,680,300
Balance as at 30.06.2022	1,533,776,330	350,947,003	1,884,723,332

The notes on pages 5 to 27 form an integral part of these financial statements.

STATUTORY BODIES FAMILY PROTECTION FUND

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2022	<u>30 June 2022</u>	<u>30 June 2021</u>
	Rs	Rs
Cash generated from operations (Note 29.1)	(59,614,260)	(54,468,293)
Investing activities		
New investments	(855,000,000)	(160,000,000)
Investments encashed	793,950,000	178,000,000
Dividend received	19,275,489	-
Interest received	103,042,222	30,273,026
Purchase of fixed assets	(32,400)	-
Loan refunded	17,975,292	20,627,108
New loan granted	(10,940,000)	(16,740,000)
Net cash from investing activities	68,270,603	52,160,134
(Decrease)/Increase in cash and cash equivalents	8,656,343	(2,308,159)
Movement in cash and cash equivalents	Rs	Rs
As at 01 July 2021	11,731,164	14,039,323
(Decrease)/Increase	8,656,343	(2,308,159)
As at 30 June 2022 (Note 29.3)	20,387,510	11,731,164

The notes on pages 5 to 27 form an integral part of these financial statements.

STATUTORY BODIES FAMILY PROTECTION FUND

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2022

	Original Budgeted Amounts Year ended 30.06.2022	Actual Amounts on Comparable Basis	Variance Original /Revised Budget	Variance: Original Budget/ Actual
	Rs	Rs	Rs	Rs
INCOME				
Revenue	57,000,000	65,333,836	n/a	8,333,836
Investment	130,117,200	67,248,459	n/a	(62,868,741)
Other Income	0	2,565,061		2,565,061
Surplus on Management Expenses	2,554,000	-		(2,554,000)
	189,671,200	135,147,356	-	(54,523,844)
EXPENDITURE				
Pensions	91,000,000	90,662,305	n/a	337,695
Staff costs	11,261,000	8,770,874	n/a	2,490,126
Administrative expenses				
Board's Fees	460,000	464,913	n/a	(4,913)
Printing & Stationery	120,000	148,851	n/a	(28,851)
Telephone	65,000	70,063	n/a	(5,063)
Electricity	180,000	136,349	n/a	43,651
Rent	110,000	99,073	n/a	10,927
Repairs & Maintenance IT	550,000	488,750	n/a	61,250
Insurance	3,000	-	n/a	3,000
General Expenses	150,000	187,469	n/a	(37,469)
Legal Fees	150,000	100,625		49,375
Pension of Retired Secretary	-	84,683		(84,683)
Audit Fees	400,000	-		400,000
Actuarial Fees	-	2,315		(2,315)
Entertainment Expenses	-			-
Passage Benefits	200,000			200,000
Supervisor of Works' Fees	5,000			5,000
Subscription fees and training	150,000	19,222	n/a	130,778
Bank Charges	-	37,423		(37,423)
Depreciation	150,000	334,793		(184,793)
Refund of Contributions	24,000,000	20,972,299		3,027,701
	128,954,000	122,580,006	-	6,373,994
SURPLUS	60,717,200	12,567,350	-	(60,897,838)
EXPENDITURE CAPITALISED				
Furniture & Equipment	500,000	32,400		467,600
New System Development	5,000,000	-		5,000,000
	5,500,000	32,400	-	5,467,600

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

1 MAIN ACTIVITY OF THE FUND

The Statutory Bodies Family Protection Fund under the aegis of the Ministry of Local Government, situated at Galerie Remy Olier Building Port Louis, was established under the Statutory Bodies Family Protection Fund Act 1966 as a pension Fund in order to provide financial assistance to widows, widowers and orphans as principal activity.

The Accounts have been prepared taking into consideration the SBFPF act 1965 (amended) 1993 and other regulations (loans) which came into operations.

2 ACCOUNTING POLICIES

The principal accounting policies adopted by the Fund are as follows:

(a) Basis of Preparation

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Federation of Accountants (IFAC)

(b) Reporting Period

The financial statements for the current period has been prepared for the 12 months ended 30 June 2022 with comparative information for the 12 months ended 30 June 2021.

(c) Going Concern

The financial statements have been prepared on a going concern basis and the accounting policies have been consistently applied throughout the period.

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

3 ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimation involves judgments based on the latest available, reliable information and may need revision if changes occur in the circumstances on which the estimates were based or as a result of new information.

A change in an accounting estimate is recognized in the period of change if the change affects the period only or the period of change and future periods, if the change affects both. To the extent that a change gives rise to assets and liabilities or relates to an item of net assets/equity, it is recognized by adjusting the carrying amount of the related asset, liability, or net assets/equity in the period of the change.

4 STANDARDS ISSUED AND EFFECTIVE

At date of authorisation of financial statements, the following IPSAS were issued and effective.

IPSAS 41 – Financial Instruments

(Effective January 2022)

IPSAS 41 will replace IPSAS 29 ‘Financial Instruments: Recognition and Measurement’ and its objective is to establish new requirements for classifying, recognizing and measuring financial instruments. It is expected that the adoption of the new principles-based approach to classification and measurement will not have a major impact on the financial statements of the SBFPFund..

IPSAS 42 – Social Benefits

(Effective January 2022)

The objective of IPSAS 42 is to help users of financial statements to assess the nature of social benefits provided by an entity, the features of the operation of social benefit scheme and the impact of social benefits on the entity’s financial performance, financial position and cash flows.

This standard will not have an impact on the financial statements of the SBFPFund..

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

5 SIGNIFICANT ACCOUNTING POLICIES

(a) Revenue Recognition

(i) Exchange Transactions

Revenue from exchange transactions are measured at the fair value of the consideration received or receivable and recognised as follows:

- Interest on a time proportion basis that considers the effective yield on the asset.
- Charges for use of assets (other than cash and cash equivalents) as they are earned in accordance with terms of the relevant agreement.

Contributions are collected by virtue of the provisions of the SBFP Fund Act 1966 and are used to finance pension cost. Contributions are deducted at source by way of 'check-off' from the salaries of members who are employed in the relevant institutions which fall under the purview of the Ministry of Local Government. These institutions include municipal and district councils as well as related institutions such as the Sugar Industry Labour Welfare Fund and the Town and Country Planning Board. Contributions which are received in arrears from the various institutions are accounted as trade receivables.

(b) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation.

- (i) Depreciation is calculated to write off the cost of property, plant and equipment on a straight-line basis over the expected useful lives of such assets. The annual depreciation rates used for the purpose are as follows: -

Items:	Rates
Furniture & Fittings	3.33% - 5%
Computer Equipment	5%
Office equipment	5%
Air Conditioners	5%

The Fund has revised the accounting policy in respect of depreciation and therefore the lives of tangible and intangible assets have been revised accordingly.

The above rates have been adopted pursuant to the approval of a new depreciation policy by the Board in the application of IPSAS. These rates will therefore be consistently applied in the future years.

- (ii) No depreciation is charged in the year of acquisition and full depreciation is charged in the year of disposal.
- (iii) Property, Plant and equipment items costing less than Rs 5,000/- will not be capitalised.
- (iv) The respective lifetimes of those items of Property, Plant and equipment, that have been fully written-off but still in use, have been extended based upon management's estimate.

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

(c) **Impairment of Tangible Assets**

At each date of Statement of Financial Position, the Authority reviews the carrying amounts of its tangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Authority estimates the recoverable amount of the cash generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimated of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is recognized immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment is recognized immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(d) **Intangible Assets**

Intangible assets are carried at cost less accumulated amortisation and impairment losses. Computer software costs are recognised as intangible assets amortised using the straight-line method over their useful lives, exceeding a period of 5 years. The revised annual depreciation rate for Software is 10%.

(e) **Financial instruments**

Financial assets and liabilities are recognized on the Statement of Financial Position when the Fund has become party to the contractual provisions of the financial instruments. Financial instruments are initially measured at cost, which includes transaction costs. Subsequent to the initial recognition, these instruments are measured as set out below:

Financial Assets

Financial assets are initially measured at fair value plus incremental direct transaction costs and subsequently accounted for depending on their classification as held to maturity, available-for-sale assets, fair value through profit and loss or loans and receivables.

(i) **Held-to-Maturity investments**

Held-to-Maturity investments are non-derivative assets with fixed/determinable payments & fixed maturity that the Fund has positive intent & ability to hold to maturity, and which are not designated at fair value through surplus or deficit or available for sale.

(ii) **Available-for- sale Quoted Shares**

Available for sale investments are non-derivatives that are not designated as another category of financial assets. Unquoted equity whose fair value cannot be reliably measured are carried at cost.

All other available-for-sale investments are carried at fair value. The Fund reckons only quoted securities.

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 30 JUNE 2022**

(iii) Fair value through surplus or deficit

In determining financial assets at fair value through profit and loss, the Fund determines that it meets one of criteria for this designation. Unquoted local equity securities which are not traded in an active market are classified as fair value through surplus and deficit.

(iv) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Fund does not intend to sell immediately or in the near term.

(iv) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and cash in hands.

(v) Creditors and payables

Creditors and payables are stated at their nominal value.

(f) Retirement Benefit Obligations

The Fund operates both a 'Defined Benefit' pension plan and a 'Defined Contribution' pension scheme.

1) Retirement Benefits under the Defined Benefit Pension Plan

The assets of the defined benefit pension plan are held independently and administered by the State Insurance Company of Mauritius Ltd (SICOM).

A liability or asset is recognised in the Statement of Financial Position equal to the net of the defined benefit obligation and the fair value of plan assets at the end of the reporting period. The defined benefit obligation is calculated annually by SICOM Ltd using the Projected Method

The present value of the defined benefit obligation is calculated by discounting estimated future cash outflows yields on bonds using a discount rate determined by reference to market.

The Net Interest Cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in the Statement of Financial Performance.

Service cost is recognised in the Statement of Financial Performance.

Remeasurement of the net defined benefit liability or asset arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly to Accumulated Surplus / Deficit in the Statement of Net Assets / Equity.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised in the Statement of Financial Performance as past service cost.

There were no such costs in 2020/2021 and 2021/2022.

2) Retirement Benefits under the Defined Contribution Pension Scheme

The Defined Contribution Pension Scheme was set up with effect from 1 January 2013 following amendments to the Statutory Bodies Pension Funds Act 1978. New entrants in the Fund as from 1 January 2013 contribute 6% of their salaries to the Scheme. The Fund contributes 12% of the salaries paid to the new entrants and such contributions are expensed to the Statement of Financial Performance in the period in which they fall due.

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

(g) Provisions

Provisions are recognized when the Authority has a present obligation as a result of past event, which it is probable, will result in an outflow of economic benefits that can reasonably be estimated.

(h) Use of estimates

The preparation of financial statements in accordance with IPSAS and generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from these estimates.

(i) Related Parties

For the purposes of these Financial Statements, parties are considered to be related to the Fund if they have the ability, directly or indirectly, to control the Fund or exercise significant influence over the Fund in making financial and operating decisions, or where the Fund is subject to common control or common significant influence. .

Related parties may be individuals or other entities

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 30 JUNE 2022**

6. Property, plant and equipment

The items which were fully written off but still in use have been revalued and amortized over a further expected useful life.

	Furniture and fittings	Air conditioners	Computer Equipment	Office Equipment	Total
<u>COST</u>	Rs	Rs	Rs		Rs
Balance 01.07.2021	710,906	73,980	557,326	29,837	1,372,049
Additions			21,820	10,580	32,400
Balance 30.06.2022	710,906	73,980	579,146	40,417	1,404,449
<u>DEPRECIATION</u>					
Balance 01.07.2021	321,053	33,513	239,474	16,047	610,087
Charge for the year	29,446	3,699	28,686	1,492	63,323
Balance 30.06.2022	350,499	37,212	268,160	17,539	673,410
NET BOOK VALUE					
At 30.06.2021	389,853	40,468	317,852	13,790	761,962
At 30.06.2022	360,407	36,768	310,987	22,878	731,039

7. INTANGIBLE ASSETS

Intangible Assets amounting to Rs2,816,710 at cost acquired in year 2013 represents funding for the development of a new computerised system and has been amortized over a definite useful life.

INTANGIBLE ASSETS	Software
<u>COST</u>	Rs
Balance 01.07.2021	2,714,705
Additions	-
Disposals	-
Balance 30.06.2022	2,714,705
<u>AMORTISATION</u>	
Balance 01.07.2021	2,352,266
Charge for the year	271,470
Balance 30.06.2022	2,623,736
NET BOOK VALUE	
At 30.06.2021	362,439
At 30.06.2022	90,969

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

8 FINANCIAL RISK MANAGEMENT

Financial Risk Management

This is the practice of economic value of the Fund by using financial instruments to manage exposure to risk such as operation risk, credit risk, liquidity risk and market risk.

Credit Risk is risk of financial loss to the Fund if a customer fails to meet its contractual obligations and arises principally from Fund's receivables from customers i.e trade and other receivables. The Fund policy is to minimise such risk against personal guarantees, insurance cover and collateral securities for loans granted. Risk limits are set based upon internal and external ratings which include setting of loan limits which are strictly applied. As no loan is disbursed without satisfying the set limit and other eligibility criteria, Management does not expect any losses from non-performance except for those for which provision for impairment has been made.

In view of the sound procedures in place regarding loan eligibility and guarantees and collaterals, Management is of the view that loans disbursed are recoverable through the afore-mentioned guarantees and collaterals. Accordingly, Management is of the considered view that provision for expected credit losses is not warranted.

Liquidity Risk is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Fund's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

Market Risk is the risk that changes in market prices such as interest rates and equity prices will affect the Fund's income or the value of its holdings of financial instrument.

Interest rate risk

The Interest Rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.

The Fund policy of ensuring Interest Rate Risk exposure is at a fixed rate, i.e holding fixed rate long term instrument and lending at fixed rate.

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	<u>30 June 2022</u>	<u>30 June 2021</u>
	Rs	Rs
9. Cash and cash equivalents		
Petty cash	3,059	4,190
Cash at bank-current account	20,384,451	11,726,974
	<u>20,387,510</u>	<u>11,731,164</u>

10. Investment

The Fund investment is represented by the fixed deposit held by financial institutions and shares. Schedule of investment comparative shown below:

	<u>30 June 2022</u>		<u>30 June 2021</u>	
<u>Investment-Fixed Deposits</u>	Rs	Rs	Rs	Rs
	Current asset	Non-Current	Total	Total
Sicom Financial Services Limited	-	474,000,000	474,000,000	253,950,000
Mauritius Civil Service Mutual Aid Ass	171,000,000	-	171,000,000	201,000,000
MAUBANK		125,000,000	125,000,000	371,000,000
ABC	70,000,000	118,000,000	188,000,000	70,000,000
Bank One	110,500,000	138,000,000	248,500,000	110,500,000
MHC	68,000,000	160,000,000	228,000,000	367,000,000
	<u>419,500,000</u>	<u>1,015,000,000</u>	<u>1,434,500,000</u>	<u>1,373,450,000</u>
<u>Shares</u>	<u>No. of shares</u>	<u>Market price</u>	<u>30 June 2022</u>	<u>30 June 2021</u>
		Rs	Rs	Rs
MCB Ltd	1,149,731	307.50	353,542,283	313,876,563
Fincorp Ltd	29,160	21.00	612,360	597,780
			<u>354,154,643</u>	<u>314,474,343</u>
			<u>1,788,654,643</u>	<u>1,687,924,343</u>

11. Trade receivables

30 June 2022 30 June 2021

Rs Rs

Receivables represent contributions and interest due at year end.

Contributions receivable	4,355,379	2,210,356
Dividend Receivable	6,783,413	-
Interest receivable (short term)	51,129,872	87,250,130
	62,268,665	89,460,486
Interest receivable (long term)	16,255,357	41,936,511
	<u>78,524,022</u>	<u>131,396,997</u>

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 30 JUNE 2022**

12 Loan receivables

Loan receivables are shown at carrying amount at year end. No provision for expected credit losses is made as the Fund is of the view that loans, including non-performing loans, are fully recoverable by virtue of various guarantees and collaterals taken from borrowers.

As at 30 June 2022, the amount of the non-performing loans under legal suit was Rs. 166,500

	<u>30 June 2022</u>	<u>30 June 2021</u>
	Rs	Rs
Current assets		
Personal loan	10,736,162	14,307,616
Housing loan	325,307	495,976
Car loan	12,381	86,667
Total current assets	11,073,850	14,890,259
Non current assets		
Personal loan	10,141,107	12,751,661
Housing loan	1,451,619	2,059,951
Car loan	-	-
Total non-current assets	11,592,727	14,811,612
<u>Personal loan scheme</u>	20,877,269	27,059,277
<u>Housing loan scheme</u>		
Municipality of Port Louis	821,295	938,807
Municipality of Beau Bassin/Rose Hill	255,430	334,321
Municipality of Quatre Bornes	-	-
Municipality of Vacoas/Phoenix	27,035	106,048
Municipality of Curepipe	199,460	249,101
Sugar Industry Labour Welfare Fund	-	113,554
Moka District Council	-	-
Flacq District Council	259,806	323,492
Pam District Council	-	-
Riv Du Rempart DC	-	218,453
Grand Port District Council	150,516	173,597
Savanne District Council	55,370	85,051
Town & Country Planning Board	-	-
Black River District Council	8,016	13,503
Statutory Bodies Family Protection Fund	-	-
	1,776,928	2,555,927
<u>Car Loan</u>		
Statutory Bodies Family Protection Fund	12,381	86,667
Total loan receivables	22,666,578	29,701,871

13. Other receivables

Maintenance Prepaid	258,750	230,000
Sicom pension Fund prepaid	3,300,000	
Security Deposit	-	2,315
	3,558,750	232,315

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

14 Figures for IPSAS 39 adoption

	30 Jun 2022	30 Jun 2021
	Rs	Rs
Amounts recognised in the balance sheet:		
Present value of obligations	35,273,734	34,171,959
Fair value of plan assets	(13,406,693)	(13,592,056)
Effect on asset ceiling		-
Deficit (surplus) on obligations	21,867,041	20,579,903
Net cost for the period:		
Current service cost	836,665	815,870
Net interest cost	712,286	650,522
Fund expenses & life insurance	45,544	41,220
Contributions by employees	(330,188)	(264,707)
Past service cost	-	-
Curtailement / settlement (gain) loss	-	-
Net cost for the year recognised in profit & loss	1,264,307	1,242,905
Remeasurement recognised in OCI	683,205	(5,243,335)
Net cost for period	1,947,512	(4,000,430)
Net interest cost for the year :		
Interest on obligation	1,389,342	1,000,522
Expected return on plan assets	(677,056)	350,000
Net interest cost	712,286	650,522
<i>Remeasurement recognised in OCI for period :</i>		
Actuarial gains (losses) on the obligation	21,367	4,821,389
Actuarial gains (losses) on plan assets	(704,572)	421,947
Any change in effect of the asset ceiling, excluding amounts included in net interest cost	-	-
Remeasurement recognised in OCI - Gain/(Losses)	(683,205)	5,243,336
Changes in the Present Value of the Obligation		
Present value of obligation at start of period	34,171,959	38,193,448
Restatement	-	-
Interest cost	1,389,342	1,000,522
Current service cost	836,665	815,870
Past service cost	-	-
Benefits paid	(1,102,865)	(1,016,492)
Fund expenses & life insurance	-	-
Curtailement / settlement (gain) loss on obligation	-	-
Expected obligation at end of period	35,295,101	38,993,348
Present value of obligation at end of period	35,273,734	34,171,959
Remeasurement recognised in OCI at end of period - Gain/(Losses)	21,367	4,821,389

The plan is a defined benefit arrangement for the employees funded by the Employer at 12% and the Employee at 6%. The assets of the funded plan are held independently and administered by the State Insurance Company of Mauritius Ltd.

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Figures for IPSAS 39 adoption

	30 Jun 2022	30 Jun 2021
	Rs	Rs
Changes in the Fair Value of the Plan Assets		
Fair value of plan assets at start of period	13,592,056	9,783,701
Restatement		-
Expected return on plan assets	677,056	350,000
Contributions to plan assets	990,563	4,094,120
Benefits paid out of plan assets	(1,102,865)	(1,016,492)
Fund expenses & life insurance	(45,544)	(41,220)
Expected fair value at end of period	14,111,266	13,170,109
Fair value of plan assets at end of period	13,406,693	13,592,056
Remeasurement recognised in OCI at end of period - (Gain)/Losses	704,573	(421,947)
Major Asset Categories as Percentage of Plan Assets		
Government securities and cash	50.4%	52%
Loans	2.9%	2.8%
Local equities	16.4%	14.5%
Overseas bonds and equities	29.4%	30.2%
Property	0.5%	0.5%
Structured products	0.3%	0.0%
Total	99.9%	100%
Principal actuarial assumptions at end of period:		
Normal Retirement Age	65	65
Discount rate	As per table	As per table
Expected rate of return on plan assets	As per table	As per table
Future salary increases	1%	1%
Future pension increases	1%	1%
Future NPF salary increases	-	-
Deferred pension increases	-	-
Annual proportion of employees leaving service	Nil	Nil
Actuarial table for employee mortality	PMA92_PFA92	PMA92_PFA92
Movements in liability recognised in balance sheet:		
Net liability at start of period		
- as previously reported	20,579,903	28,409,747
- effect of restatement	-	-
- as restated	20,579,903	28,409,747
Net expense recognised in profit or loss	1,264,308	1,242,905
Net actuarial (gains) losses recognised in OCI	683,205	(5,243,335)
Contributions & direct benefits paid	(660,375)	(3,829,414)
Net liability at end of period	21,867,041	20,579,903
Experience adjustments on:		
Plan liabilities	(424,323)	(4,129,966)
Plan assets	704,572	(421,947)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	30 June 2022	30 June 2021
Figures for IPSAS 39 adoption	Rs	Rs
Sensitivity		
Effect on present value of obligations		
1% Increase in discount rate	31,678,379	30,498,485
1% Decrease in discount rate	39,615,040	38,623,935
1% Increase in salary increase assumption	36,950,246	35,982,878
1% Decrease in salary increase assumption	33,766,199	32,544,460
Effect of changing longevity - rate up	34,316,619	33,237,437
Effect of changing longevity - rate down	36,230,841	35,106,369

Data summary as at 30 June 2022

Active employees - Members of DB pension scheme

Monthly				
Gender	Number	Average age	Average service	salary (Rs)
M	3	50.9	24.3	106,450
F	6	51.8	27.0	304,350
Grand Total	9	51.5	26.1	410,800

Pensioners			Monthly	
Gender	Number	Average age	pension (Rs)	
M	2	69.9	66,850	
F	1	62.8	16,900	
Grand Total	3	67.6	83,750	

Points to be noted

- We have used a range of discount rates as per the yield curve (please refer to the table below).
- As advised, we have used a future salary increase and pension increase assumption of 1% per annum.
- As confirmed, no retirement gratuity was paid during the year ending 30 June 2022.
- An actuarial loss on obligations of Rs 0.02m corresponds to the changes in financial assumptions over the period.

Discount rates

The yield curve is based on mid rates of the Mauritian government bond market proposed by MCB as at 29 June 2022. The liabilities of each member have been discounted based on their respective projected term to retirement and their corresponding discount rate.

	Discount Rates	
Future Term	Jun-22	Jun-21
5 year	3.26%	3.15%
10 year	4.56%	4.32%
15 year	4.96%	4.80%
20 year	5.13%	5.05%

Discount Rate (for illustrative purposes only): 5.11%

Weighted Average Term of Liabilities: 22 years

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Data Protection

The report has been prepared in line with the provisions as set out in the Data Protection Act 2017. A more detailed explanation can be provided upon request. The accuracy of the results depends on the data provided and whilst we have checked the data for reasonableness, it is also the responsibility of the company to ensure that the data provided is correct.

Benefits valued

Members of the Defined Benefit fund - Benefits as per fund rules

Benefits as per fund rules

Increasing pension of, 1/600 for members who joined before 01 July 2008 and 1/690 for those who joined after 01 July 2008, of final pensionable remuneration (excluding the 13th month salary bonus) for each month of service.

The pension is not guaranteed and the pension increase is discretionary.

A spouse pension is payable only on death of the member in the discharge of his duties.

Up to 25% of the pension may be commuted into a lump sum at the rate of 12.5 per rupee of pension.

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 30 JUNE 2022**

	<u>30 June 2022</u>	<u>30 June 2021</u>
	Rs	Rs
15. Creditors and payables		
Sundry creditors – pension payable	1,465,763	1,459,006
Expenses accrued -personal loan expenses	49,050	334,255
Printing & Stationery	2,086	-
		-
Audit fees	230,000	510,000
Legal fees		43,125
Loan Refundable	652,723	472,406
Rent	8,256	-
Electricity, telephone& others	10,540	11,511
General Expenses	3,450	-
	<u>2,421,868</u>	<u>2,830,303</u>
	<u>30 June 2022</u>	<u>30 June 2021</u>
	Rs	Rs
16. Employee benefits		
Short term employee benefits		
Passage benefits	59,163	231,395
Bank sick leave	141,383	139,438
	<u>200,546</u>	<u>370,833</u>
Long term employee benefits		
Passage Benefits	489,873	258,478
Bank vacation leave	2,499,593	2,530,351
Bank sick leave	2,411,256	2,382,335
	<u>5,400,722</u>	<u>5,171,164</u>
17. Revenue		
Revenue represents contributions received from the councils and Investment income.		
Further to the amendments of the SBFPFund Act (Dec 2012),the Fund no longer receives contributions in respect of employees joining the councils with effect from Jan 2013.		
This leads to a relative fall in revenue and the number of Associates will be phasing out gradually.		
Investment income represents interest received from Fixed Deposits and dividend received from quoted shares.		

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

		<u>30 June 2022</u>	<u>30 June 2021</u>
18. Revenue		Rs	Rs
Contributions			
Municipality of Port Louis	Employee	5,831,412	5,135,221
	Employer	6,847,830	6,099,130
Municipality of BBassin/RHill	Employee	3,282,352	2,838,997
	Employer	3,691,680	3,242,694
Municipality of Quatre Bornes	Employee	3,196,521	2,769,609
	Employer	3,524,697	3,036,585
Municipality of Vacoas/Phoenix	Employee	4,012,484	3,251,008
	Employer	3,892,371	3,695,496
Municipality of Curepipe	Employee	1,904,280	1,656,681
	Employer	2,303,467	2,054,077
Sugar Industry Labour Welfare Fund	Employee	3,454,193	3,157,099
	Employer	3,974,152	3,656,072
Moka District Council	Employee	1,083,348	1,009,912
	Employer	1,145,224	1,009,912
Flacq District Council	Employee	1,464,231	1,300,599
	Employer	1,499,617	1,341,299
Pam District Council	Employee	1,283,477	1,218,621
	Employer	1,526,926	1,234,569
Riv du Rempart D Council	Employee	1,344,886	1,235,439
	Employer	1,650,755	1,324,081
Grand Port District Council	Employee	1,687,512	1,548,555
	Employer	1,693,222	1,551,845
Savanne District Council	Employee	1,177,880	1,065,715
	Employer	1,184,288	1,089,287
Black River District Council	Employee	1,153,779	1,070,843
	Employer	1,193,188	1,110,158
Town and Country Planning Board	Employee	76,150	77,818
	Employer	75,870	77,818
SBFP Fund	Employee	74,118	67,968
	Employer	103,926	117,906
Total contribution Receivable		65,333,836	58,045,015

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

19. Revenue

Revenue from investment

Revenue from investment comprises of interest received from investment on fixed deposit and dividend from shares.

	<u>30 June 2022</u>	<u>30 June 2021</u>
	Rs	Rs
<u>Investment interests</u>		
Sicom Financial Services Limited	12,963,633	15,933,089
Mauritius Civil Service Mutual Aid Associations	6,563,219	6,924,000
MAUBANK	5,535,201	14,180,000
ABC Banking Corporation	3,488,096	2,625,000
Bank One	5,161,615	4,143,749
MHC	7,477,792	6,451,294
<u>Dividend from shares</u>		
MCB Ltd	26,041,407	-
Fincorp Ltd	17,496	-
Total Investment Income	<u>67,248,459</u>	<u>50,257,132</u>

Total Revenue

20. Other income

	<u>30 June 2022</u>	<u>30 June 2021</u>
	Rs	Rs
Interest on car loan	10,524	15,946
Interest on housing loan	174,065	279,820
Interest on personal loan	1,974,973	2,654,095
Miscellaneous revenue	405,499	-
	<u>2,565,061</u>	<u>2,949,861</u>

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	<u>30 June 2022</u>	<u>30 June 2021</u>
21. Surplus from operations		
Surplus of income for the year is arrived at after charging the following items:-	Rs	Rs
Staff costs	8,770,874	8,866,678
Administrative expenses	2,174,529	1,935,985
	10,945,403	10,802,663
	9	10
No. of employees at end of year		
Staff cost includes:	<u>30 June 2022</u>	<u>30 June 2021</u>
	Rs	Rs
Salaries	6,010,064	6,261,707
Travelling	671,100	647,520
National savings fund	65,239	58,326
Passage benefits	235,556	258,340
Fund's staff contribution	7,889	121,776
Retirement benefit obligation	1,264,308	1,242,905
CSG	411,476	252,906
Contribution FPS	1,316	-
Staff contribution FPF	103,926	23,198
	8,770,874	8,866,678
22. Administrative expenses	<u>30 June 2022</u>	<u>30 June 2021</u>
	Rs	Rs
Printing and stationery	148,851	47,820
Electricity	136,349	117,892
Telephone	70,063	51,563
Rent	99,073	90,817
General expenses	187,469	184,366
Insurance	-	1,755
Training	19,222	13,973
Board fees	464,913	409,469
Maintenance IT	488,750	241,500
Miscellaneous Exps	-	24,639
Legal fees	100,625	126,500
Pension of retired Secretary	84,683	81,575
Auditor's remuneration	-	120,000
Security Deposit Written off	2,315	-
Depreciation & Amortization	334,793	334,793
Bank charges	37,423	89,323
	2,174,529	1,935,985

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	<u>30 June 2022</u>	<u>30 June 2021</u>
	Rs	Rs
23. Statutory contributions to management expenses		
Opening accruals	(2,210,357)	(3,840,242)
Contributions received	62,488,134	59,680,892
Closing accruals	4,355,379	2,210,357
	<u>64,633,156</u>	<u>58,051,007</u>
Statutory contributions to management expenses is 20% of contributions receivable.	12,926,631	11,610,201

24. Related party transactions

(i) Remuneration to management

	<u>30 June 2022</u>	<u>30 June 2021</u>
	Rs	Rs
Chairman/board fees	464,913	409,469
Salary Manager	1,355,575	1,244,880
	<u>1,820,488</u>	<u>1,654,349</u>

	<u>Monthly Rate</u>		
Chairman fees	31,312	375,750	344,736
Board/sub committee fees		89,163	64,733
Board member fee	1,500		
Secretary/board	1,650		
Sub committee member	1,350		
Chairman sub committee	1,850		
Secretary/ sub committee	950		
Travelling	200		
		<u>464,913</u>	<u>409,469</u>

(ii) Transactions with SICOM Ltd

SICOM Ltd administers the pension plans of the Fund. Moreover, term deposits are held at the SICOM Ltd. Furthermore, SICOM Ltd has carried out actuarial investigation for the Fund.

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

25 Personal loan

Personal loan are refundable in 3 years, bear interest at the	<u>30 June 2022</u>	<u>30 June 2021</u>
	<u>Rs</u>	<u>Rs</u>
Opening balance	27,055,535	29,690,364
Loan granted	10,690,000	16,740,000
Loan refunded	(17,090,438)	(19,524,635)
Transfers	222,172	149,806
Closing balance	20,877,270	27,055,535

26. Car loan

Car loans are refundable in 60 instalments, bear interest at	<u>30 June 2022</u>	<u>30 June 2021</u>
	<u>Rs</u>	<u>Rs</u>
Opening balance	86,667	214,286
Loan granted	-	-
Loan refunded	(74,286)	(127,619)
Transfers	-	-
Closing balance	12,381	86,667

26(a) Housing Loan

	<u>30 June 2022</u>	<u>30 June 2021</u>
	<u>Rs</u>	<u>Rs</u>
Opening balance	2,555,926	3,680,586
Loan granted	250,000	-
Loan refunded	(1,240,977)	(1,784,477)
Residual balances / transfers	211,977	659,817
Closing balance	1,776,926	2,555,926

Loan interest received	<u>2,159,562</u>	<u>2,949,861</u>
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27. Revaluation reserves

27.1. Shares

	<u>No. of shares</u>	<u>Market price</u>	<u>30 June 2022</u>	<u>30 June 2021</u>	<u>Gain/(Loss)</u>
		<u>Rs</u>	<u>Rs</u>	<u>Rs</u>	<u>Rs</u>
MCB shares	1,149,731	307.50	353,542,283	313,876,563	39,665,720
Fincorp Ltd	29,160	21	612,360	597,780.00	14,580
			354,154,643	314,474,343	39,680,300

28 Surplus on Management Expenses

	<u>30 June 2022</u>	<u>30 June 2021</u>
	<u>Rs</u>	<u>Rs</u>
Statutory contributions	12,926,631	11,610,201
<u>Less</u>		
Staff costs	8,770,874	8,866,678
Administrative expenses	2,174,529	1,935,985
	<u>10,945,403</u>	<u>10,802,663</u>
Surplus	1,981,228	807,538

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

29. CASH FLOW STATEMENT

29.1 Cash flows from operating activities

	<u>30 June 2022</u>	<u>30 June 2021</u>
	Rs	Rs
Cash flows from operating activities		
(Deficit) / Surplus for the year	12,567,349	(2,077,652)
Non-Cash Movements and Adjustments:		
Depreciation	334,793	334,793
Actuarial Gain/(losses) on benefit plan	(683,205)	5,243,335
(Decrease)/increase in retirement benefit obligations	1,287,138	(7,829,844)
Dividend received	(19,275,489)	-
Interest received on investments	(103,042,222)	(30,273,026)
	(108,811,637)	(34,602,394)
(Increase) in trade receivables	52,872,975	(21,304,083)
(Increase)/ Decrease in other receivables	(3,326,435)	(230,000)
(Decrease)/Increase in creditors and payables	(408,435)	396,709
(Decrease) in employee benefits	59,271	1,271,475
	49,197,376	(19,865,899)
Cash generated from operations	(59,614,260)	(54,468,293)

29.2 Non cash transactions

The principal non cash transactions are the adjustments for depreciation, actuarial gain/loss on retirement benefit obligations and loan transfers/adjustments.

29.3 Cash and cash equivalents

Cash and cash equivalents include the following for the purpose of the statement of cash flow

	<u>30 June 2022</u>	<u>30 June 2021</u>
	Rs	Rs
Cash In hand and at bank	20,387,510	11,731,164

STATUTORY BODIES FAMILY PROTECTION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

30 BUDGET NOTES

30.1 Revenue

Revenue comprises contributions receivable from Associates. Revenue has increased due to Arrears on PRB, salary increments and compensations.

30.2 Investment Income

The amount budgeted of Rs 130.1 M represents cumulative interest on investments from date of placement till 30 June 2021; whereas the actual investment income represents only one year's interest as the financial statements are prepared on an accruals basis.

30.3 Other Income

The variance of Rs 2.9 M relates to interest accrued on loans granted.

30.4 Pensions

Pension represents amounts payable to beneficiaries of deceased Associates. The variance of Rs338,000 represents compensations paid to beneficiaries.

30.5 Staff Costs

The variance of Rs0.8 M is explained by the following two main variances:
(i) Rs0.8 M representing arrears paid for PRB 21

30.6 Electricity

A lower consumption was registered due to the lockdown period. Moreover, a higher amount was budgeted to cater for possible increase in electricity tariff.

30.7 Rent

A higher amount was budgeted in view of expected increase in rent.

30.8 General Expenses

Variance of Rs 37,500 mainly represents increase in prices related to purchases under General Expenses.

30.9 Printing and Stationery

Variance of Rs 26,000 mainly represents increase in prices related to purchases of paper, cartridges and cost photocopying.

30.1 Legal Fees

A higher amount was budgeted in view of expected increase in legal fees.

30.11 Audit Fees

This amount was still due for the year.

30.12 Depreciation

Assets still in use but fully depreciated at year end were revalued by Management. This revaluation gave rise to higher depreciation figure.

30.13 Refund of Contributions

Refunds in respect of financial year could not be made and were effected in the in the current year.

30.14 Other Expenses

The other expenses are not material.