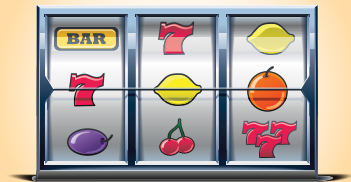


ANNUAL REPORT 2015



**Ensuring gambling is conducted
in a fair and transparent manner**



GAMBLING REGULATORY AUTHORITY

ANNUAL REPORT 2015

**ENSURING GAMBLING IS CONDUCTED
IN A FAIR AND TRANSPARENT MANNER**

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Vision and Mission

Vision

- To be a world class, forward looking, innovative, and dynamic body based on fundamental principles of incorruptibility, meritocracy and impartiality.

Mission

- To deliver prompt and efficient services to its stakeholders;
- To ensure that gambling activities are conducted in a fair and transparent manner; and
- To foster responsible gambling in order to minimize harm caused by gambling.

CHAIRPERSON'S Message

The 2015 Annual Report of the Gambling Regulatory Authority comes after a year that has seen significant changes and developments. This is my first report as Chairperson of the Gambling Regulatory Authority and I start by offering my sincere thanks to everyone who has contributed to make my induction smooth in the world of gambling. I am particularly grateful to my fellow Board members who have been very supportive, and to Mr. Ponnusawmy, the then acting Chief Executive and the Authority's staff for their hard work, dedication and support.

I am proud to announce that we have not been standing still in the industry. In our role as the Authority regulating the gambling industry, it is entirely appropriate to note that the new policies and changes to the regulations are already having an impact on the work of the Authority, in terms of explaining the rigorous compliance requirements of our licensing regime to prospective operators, in terms of processing applications for licences and ensuring the compliance of operators to the regulations and conditions to licences.

The introduction of strict regulations in respect of breaches of legislation or individual licence requirements, has been very fruitful. The new directives issued by the Authority to the MTC goes in line with the willingness to clean the horse racing industry and protect the public from irresponsible and corrupt practices. It is important to note that we take these rules very seriously and we consider it as important that we have the power to investigate non compliances and issue penalties where appropriate.

Our responsibilities as an Authority, of course, go beyond the mere regulation of gambling. It is our mission to protect the Mauritian public from wrong practices and shelter them from irresponsible gambling. With that responsibility in mind, in the current year, the Authority intends to add new gambling regulatory information and guides on its website, and review that information so that it is easily and clearly usable not just to the commercial sector, but also to those in the social and charitable sphere. The Authority has undertaken to educate the Operators so that they adopt a more accountable approach towards gambling.



The Authority is equally working in close collaboration with the Police des Jeux, the MRA and FIU in its fight against illegal gambling and for the purpose of developing and promoting national and international policies to combat money laundering and terrorist financing.

As we move forward into 2016, I am confident that the Gambling Regulatory Authority will remain at the forefront as it embraces the upcoming challenges to demonstrate the highest possible standards of regulation.

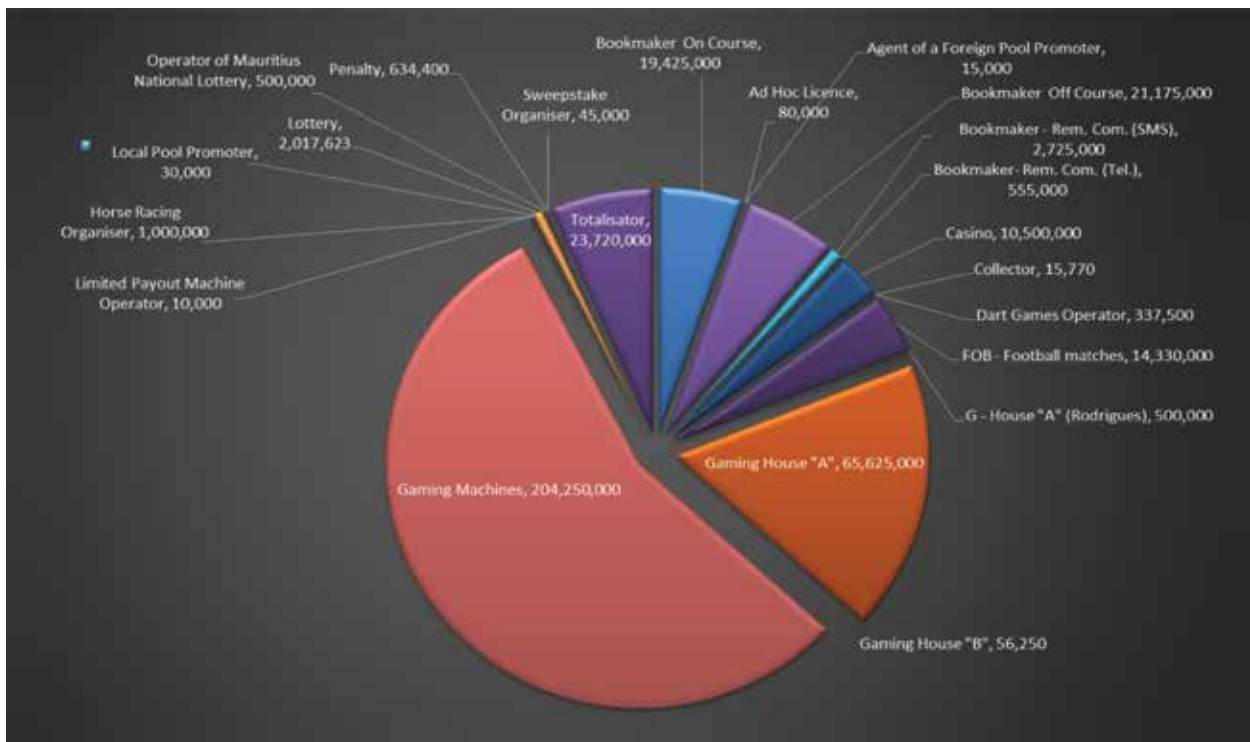
Once again, I was delighted to be appointed during the year to chair the Gambling Regulatory Board and I would like to extend my gratitude to my fellow board members for all their support, diligence and wise counsel during the past challenging but rewarding 12 months.

A handwritten signature in blue ink, appearing to read 'Raouf Gulbul', is positioned above a dotted line.

Raouf Gulbul
Barrister and Chairperson



GRA in FIGURES



Total Revenue Collected = Rs 367,546,543



Our Role

The Gambling Regulatory Authority (GRA) was set up under the GRA Act 2007 and is a body corporate falling under the aegis of the Prime Minister's Office (PMO). The Authority is administered and managed by a Board as per section 5 of the GRA Act.

The Authority is primarily responsible for the issue of gambling licences and collection of the licence fees from stakeholders, the total of which is credited to the consolidated fund. The parent Ministry provides grant to the Authority for meeting its operational expenses. The GRA equally ensures compliance to the GRA Act and Conditions to Licences as well as conducts investigations and enforces sanctions for offences committed by licensees.

Objects of the Authority

The objects of the Authority are to:-

- regulate and control gambling activities and the organization of lottery games, Sweepstakes and lotteries;
- regulate and monitor the organization of horse-racing;
- promote public confidence in the integrity of the gambling industry and the horse-racing industry;
- ensure that gambling is conducted in a fair and transparent manner;
- foster responsible gambling in order to minimize harm caused by gambling;
- promote tourism, employment and economic development generally; and
- promote the welfare and leisure of the race-going public.

The GRA Act 2007

- (1) Sound corporate governance practices are already laid down under section 5 of the GRA Act 2007 which provides that -
 - (i) The Chairperson, Vice-Chairperson and 3 members having adequate experience in economics, accountancy, law, scientific or business administration shall be appointed by the Minister on such terms and conditions as he may determine.
 - (ii) No person having had or having any direct or indirect interest in any activity regulated by this Act in the previous 5 years shall be appointed as a member.
 - (iii) Every member shall be paid by the Board such fees as the Board may, with the approval of the Minister, determine.
- (2) Section 9 of the GRA Act 2007 stipulates that “Every member shall, in relation to any matter before the Board, in which he or any person related to him by blood or marriage has a pecuniary or other material interest –
 - (i) disclose the nature of that interest in writing at or before the meeting convened to discuss that matter; and
 - (ii) not take part in any deliberations of the Board relating to that matter.”
- (3) Section 15 of the GRA Act 2007 also provides that “Every person shall, on accepting an offer of appointment by the Authority make a declaration of assets by means of an affidavit or declaration, as the case may be, make a fresh declaration every 3 years, and also on the expiry or termination of his employment on any ground.”

Furthermore, the affairs of the Authority are conducted in accordance with the GRA Act, other relevant statutory provisions and the principles of good corporate governance. All functions are exercised honestly, in good faith, with due care and diligence and in the best interests of the GRA and its stakeholders.



Core Values

And

*Strategic
Objectives*



Core Values

- **Integrity** : honesty, transparency and integrity are foremost in our dealing.
- **Fairness** : an ethical approach in the performance of our actions.
- **Innovation** : always a priority.

Strategic Objectives

The objective of the Authority is to become a reference regulator in matter pertaining to gambling both locally and internationally. As such, the Authority has adopted sound business and administrative practices to carry out its operations in an efficient and cost effective manner, while upholding high standards of trust, integrity, credibility, competence and accountability.





Activities And Performance

Achievements

Key Activities		Output Indicators	Targets	Achievements
Goal 1		Provide accurate and timely information to the legislature, public and other stakeholders		
1.1	Process application/ renewal for all gambling and gaming licences including registration of Bookmaker's clerk	% No. of licence renewed/processed	100%	100%
1.2	Collection of license fees	% of licence fees collected and remitted to the consolidated fund	100%	100%
1.3	Application of financial rules & regulations of budgetary disciplines	% of payments settled	100%	100%
1.4	Compliance with recommendation of the NAO and Internal Audit & FRC	% of recommendations implemented	100%	95%
Goal 2		Increase compliance with gaming laws and regulations		
2.1	Monitor compliance to conditions of licenses, guidelines and correctness of "Rules of Games"	% license holders complying with conditions and rules	100%	100%
		% of Investigations carried out	100%	80%
2.2	Investigation of complaints from Bookmakers and other stakeholders about the conduct of gambling and malpractices	% of complaints resolved	100%	90%
Goal 3		Promotion of Responsible Gambling		
3.1	Promotion of Responsible Gambling	% Responsible Gambling Programme implemented	100%	25%



Corporate Governance

Corporate Governance

The Gambling Regulatory Authority recognizes good corporate governance practices as a pre-requisite for good performance within the organization. The corporate governance structures put in place are in accordance with the Code of Corporate Governance of Mauritius. This section highlights the main corporate governance structures of the GRA as set out in this report relating to GRA Board, its Roles and Functions, Board Committees, Risk Management and Internal Audit, Auditing and Accounting Principles and Integrated Sustainability Reporting.

The Board

The Board administers and manages the Authority and is constituted of non-executive Directors including the Chairperson. It has the responsibility for its performance and affairs. Management operates within the policy framework laid down by the Board.

As per Section 5 of the GRA Act, the Board is constituted of 10 non-executive Directors including the Chairperson as follows:-

- (1) "The Authority shall be administered and managed by a Gambling Regulatory Board which shall consist of-
 - (a) a Chairperson;
 - (b) a Vice-Chairperson;
 - (c) a representative of the Prime Minister's Office;
 - (d) a representative of the Attorney-General's Office;
 - (e) a representative of the Ministry responsible for the subject of finance;
 - (f) a representative of the Ministry responsible for the subject of tourism;
 - (g) a representative of the Commissioner of Police; and
 - (h) 3 other members having adequate experience in economics, accountancy, law, scientific or business administration.
- (2) The Chairperson, Vice-Chairperson and the 3 members referred to in subsection (1) (h) shall be appointed by the Minister on such terms and conditions as he may determine.
- (3) Where the Chairperson is absent or unable to exercise his functions for any reason, the Vice-Chairperson shall act in his stead.
- (4) No person having had or having any direct or indirect interest in any activity regulated by this Act in the previous 5 years shall be appointed as a member.
- (5) Every member shall be paid by the Board such fees as the Board may, with the approval of the Minister, determine."



Functions of the Board

The Board has such functions under section 6 of the GRA Act 2007, as are necessary to further most effectively the objects of the Authority and in particular to:-

- (a) ensure that a horse-racing organizer effectively discharges its responsibilities regarding the organization of horse-racing in all its aspects, including safety, comfort and standards of hygiene, security, discipline and the prevention of fraud;
- (b) ensure that there is transparency and good governance in the conduct of gambling, lottery games, sweepstakes, lotteries and Government lotteries and in the organization of horse-racing;
- (c) regulate and control the operations of gambling, lottery games, sweepstakes and lotteries;
- (d) initiate, develop and implement strategies conducive to the development of gambling, horse-racing, lottery games, sweepstakes, lotteries or Government lotteries and the protection of the public in relation thereto;
- (e) coordinate with the Police des Jeux for the prevention of illegal gambling and other malpractices in any activity regulated under this Act and for the detection of fraud in gambling, horse-racing, lottery games, sweepstakes, lotteries, or Government lotteries;
- (f) do such things as are incidental or conducive to the performance of any of its functions under this section; and
- (g) advise the Minister on any matter relating to gambling, horse-racing, lottery games, sweepstakes or lotteries.

Powers of Board

- “(1) The Board shall have such powers as are necessary to enable it to effectively discharge its functions and in particular to-
- (a) issue, renew, suspend or revoke any licence;
 - (b) register, or cancel the registration of, a lottery retailer and a bookmaker’s clerk;
 - (c) issue directives to licensees and impose terms and conditions on licences;
 - (d) issue guidelines to licensees, including guidelines pertaining to measures to be implemented to prevent the laundering of money and the financing of terrorism;
 - (e) approve Rules of gambling, lottery games, sweepstakes and lotteries;
 - (f) approve, for implementation by licensees, rules in respect of internal control systems, including accounting and reporting procedures and any other procedures or systems;

- (g) approve a racecourse or the use of a racecourse, the frequency and number of race meetings in a year and the number of races at a race meeting;
 - (h) approve any event or contingency on which betting is to be conducted;
 - (i) supervise and control the conduct and operation of any activity regulated under this Act;
 - (j) impose any financial penalty for non-compliance with the conditions of a licence, rules, directions or guidelines;
 - (k) require a licensee or any other person to furnish such information or documents as may be specified by the Board or to attend before the Board at such time as may be specified for the purpose of being examined in respect of any transaction or matter relating to any gambling activity licensed under this Act;
 - (l) deal with complaints;
 - (m) ensure the protection of the public through the regulation and supervision of gambling, lottery games, sweepstakes and lotteries;
 - (ma) ensure that licensees comply with the relevant guidelines issued by the FIU under the Financial Intelligence and Anti-Money Laundering Act;
 - (n) carry out investigations into any illegal, dishonourable or improper practice in relation to any activity regulated under this Act and take such appropriate action as it thinks fit; and
 - (o) generally do such acts and things as may be necessary for the purposes of this Act.
- (2) Subsection (1) (n) shall be without prejudice to the powers of a horse-racing organizer under the Rules of Racing.
- (3) The Minister may, in relation to the exercise by the Board of any of its powers under this Act, give such directions of a general character to the Board as the Minister considers necessary in the public interest.
- (4) Where a direction is given under subsection (3), the Board shall comply with the direction.”



Composition of the Board

For the year 2015, the Board was constituted as follows:

Chairperson	Mr. R. Gulbul
Vice – Chairperson	Dr S. Maharahaje
Members	Mr. D. Dabee - Representative of the Attorney-General's Office
	Mr K. Beekharry - Representative of the Prime Minister's Office
	Mr G. Bussier - Representative of the Ministry of Finance and Economic Development
	Mrs P. Roy - Representative of the Ministry of Tourism & Leisure
	Mr. K. Jhugroo - Representative of the Commissioner of Police
	Mr. O. K. Dabidin - Member
	Mr. F. H. N Henry - Member
	Mr C. Ujoodhia - Member



Profile of Board Members

Mr. R. A. GULBUL

Chairperson

Mr Raouf Gulbul holds the LLB (Honours) Degree from the University of London and was called to the Bar of England and Wales at the Honourable Society of the Middle Temple in 1983. He took the oath to practice as a Barrister in Mauritius on 3rd October 1983.

In 1986, he was appointed by the Judicial and Legal Service Commission as Magistrate and has served in the District Courts of Port Louis, Rose Hill, Curepipe, Black River and the Court of Rodrigues.

In 1988, he returned to private practice at the Bar and has appeared before all the Courts of Mauritius and the Judicial Committee of the Privy Council. He has 33 years of experience as a Barrister in independent practice.

He was appointed Chairperson of the Gambling Regulatory Authority Board in March 2015.

Dr S. MAHARAHAJE

Vice Chairperson

Dr. Somnath Maharahaje was appointed to the Board in May 2015 as Vice-Chairperson. He has served for several years in the Ministry of Health and Quality of Life as Consultant Orthopaedic Surgeon and as Regional Health Director. He is also a member of the Medical Tribunal in the Ministry of Social Security and National Solidarity and Reform Institutions.

Mr. Kreedeo (Dev) BEEKHARRY

Board Member

Mr. K. Beekharry is currently Senior Adviser at the Prime Minister's Office. He is also a board member of the Mauritius Duty Free Paradise Co. Ltd. He is a communications specialist and has had a rich career as economic and financial journalist. Mr. Beekharry was formerly deputy editor-in-chief of Business Magazine, Editor of the Top 100 Companies and of the Directory of Financial Institutions. He was appointed to the Board in March 2015.

Dheerendra Kumar DABEE G.O.S.K., S.C

Board Member

Mr D.K. DABEE, Solicitor-General in the Attorney General's Office, a Senior Counsel, and a former Laureate (Economics Side) is a graduate in Law and Political Science from Birmingham University and was called to the bar in UK in 1981 at the Middle Temple, ex Officio and was appointed to the Board in March 2015.



Besides his over 34 years' experience as a lawyer and legal adviser to, and Counsel for, Government Departments and a number of other public bodies, he has held various other positions in the regulatory financial and commercial sectors:

He is the Chairperson of the Control and Arbitration Committee of the Mauritius Cane Industry Authority and a former member of the Arbitral Tribunal of the Commonwealth Secretariat.

He also represents the Attorney General's Office on the Boards of the Independent Broadcasting Authority.

He is also Board Director of Mauritius Telecom.

He was appointed Vice-Chairman of the Financial Services Commission in February 2016

Mrs Premila ROY

Board Member

Premila Roy, ex-officio was appointed to the Board in March 2015. She is currently Permanent Secretary at the Ministry of Tourism and Leisure and has served the civil service for over thirty years.

Gerard BUSSIER

Board Member

Mr G. Bussier, ex officio, was appointed to the Board in March 2015. He is presently performing the duties of Director at the Ministry of Finance and Economic Development and has served the Civil Service for several years.

Mr Om Kumar DABIDIN

Board Member

Mr Om Kumar Dabidin who joined the Civil Service in 1982 and now Permanent Secretary at the Prime Minister's Office since January 2015, was appointed to the Board on 30 March 2015.

He is also Board Member amongst others of the following Corporate Bodies:

- Mauritius Shipping Corporation Ltd;
- Mauritius Ports Authority;
- Mauritius Broadcasting Corporation;
- Civil Service College of Mauritius; and
- Mauritius Oceanographic Institute
- He is also Chairman of the Rodrigues Subsidy Fund Committee.



Mr Nicolas HENRY

Board Member

Mr. Nicolas Henry was appointed to the Board in March 2015. He is a Barrister at Law in private practice primarily active in commercial and company law. He is also the holder of the Bar Vocational qualification (France) ('Centre Regionale de Formation Professionnelle des Avocats de Versailles').

Mr Krishna JHUGROO

Board Member

Mr K. Jhugroo, was appointed to the Board in March 2015. He is presently Deputy Commissioner of Police and has served several years in the Police Force.

Mr Chandrashekar UJOODHIA

Board Member

Mr C. Ujoodhia was appointed to the Board in March 2015. He holds a B Com (Hons) from Delhi University and Post Graduate Certificate in Education from Mauritius Institute of Education. He is currently the Head of Department of Business Studies in a Private Secondary College and is in the teaching sector for nearly 20 years. He was formerly the Marketing Executive of a textile firm.





Attendance at Board Meetings & Committees

The Board of the Gambling Regulatory Authority met on twelve occasions (seven Board meetings and five Special meetings for specific issues) for the reporting period as summarised below.

Board meetings are organized on a monthly basis by giving appropriate notice and members are expected to attend each Board Meeting unless exceptional circumstances prevent them from doing so.

For the period under review, the attendance of Board Meetings is summarized below:-

Members	Appointment Date	Board Meetings Attended	Special Board Meeting
Mr Raouf GULBUL Chairperson	13-Mar-15	7/7	5/5
Dr Somnath Maharahaje Vice-Chairperson	15-May-15	5/5	4/5
Mr D.K. DABEE - Representative of the Attorney General's Office	13-Mar-15	6/7	5/5
Mr K. BEEKHARRY - Representative of the Prime Minister's Office	15-Mar-15	7/7	3/5
Mrs PREMILA ROY - Representative of the Ministry of Tourism and External Communications	19-Mar-15	5/6	2/5
Mr O.K. Dabidin,	30-Mar-15	6/6	5/5
Mr GERARD BUSSIER - Representative of the Ministry of Finance and Economic Development	17-Mar-15	6/7	4/5
Mr Krishna JHUGROO - Representative of the Commissioner of Police	17-Mar-15	7/7	5/5
Mr F.H.N. HENRY	13-Mar-15	7/7	4/5
Mr C. UJOODHIA	13-Mar-15	7/7	5/5

Board Fees

The Chairperson of the Board was appointed in March 2015 and was paid an all-inclusive, monthly fee of Rs 50,000 up to April 2015. Thereafter, the monthly fee was increased to Rs 70,000 and was paid an ad hoc allowance of Rs 25,000 for period May to December 2015.

Mr Bussier was paid a monthly fee of Rs 50,000 as Ag Chairperson for period 1 January to 5 March 2015.

The Vice Chairperson and all other Board Members were paid an all-inclusive, monthly fee of Rs 35,000 and Rs 25,000 each respectively.

Fees drawn by each Board Member in 2015 is as follows:

	Rs
RAOUF GULBUL	836,474
MAHARAJA SOMNATH PANDAY WOOGRA	262,506
BUSSIER GERARD PASCAL	314,603
OM KUMAR DABIDIN	231,153
JHUGROO KRISHNA	240,323
KREDEO BEEKHARRY	244,163
UJODHIA CHANDRASHEKAR	242,960
ROY PREMILA	278,444
DABEE DHEERENDRA KUMAR	276,774
HENRY FREDERIC HERBERT NICOLAS	239,603
AH KIM SHOK KWANE	35,806
BALLUCK BHOOPNARAIN	35,806
TOTAL	3,238,615



Major Decisions of the Board during the period of January to December 2015

For the period under review, the Board approved inter-alia the following:-

- The Directives to MTC Racing fixtures for the organization of race meetings by the race Organiser (MTC) for year 2015.
- The coverage of the GRA under the PRB for the salary review and alignment of conditions with the Public sector.
- The participation of the Authority to the 36th Asian Racing conference held in Mumbai in January 2016.

Procurement Policies and Procedures

The Finance and Procurement Committee

The Finance and Procurement Committee assists the Board in making procurement decisions and ensures compliance with provisions of the Public Procurement Act 2006. It ensures that GRA's procurement system and processes are fair, transparent, competitive and cost effective.

For the reporting period, the GRA Finance and Procurement Committee was constituted as follows:-

- | | |
|-------------------------------|--------------------------|
| • Mr F.H.N. Henry | - Chairperson |
| • Dr S.P.W.Maharahaje | - Member |
| • Mr O.K. Dabidin | - Member |
| • Mr K. Beekharry | - Member |
| • Mr A. Ponnusawmy | - Member (In attendance) |
| Ag Chief Executive of the GRA | |
| • Mrs L.C. Ah Youne | - Secretary |

The GRA Finance and Procurement Committee held one meeting for the reporting period and the Attendance is summarised below:

Members	Attendance for the Finance and Procurement Committee Meeting
Mr. N. Henry, Chairperson	01/01
Dr S. Maharajah, Member	01/01
Mr O.K. Dabidin, Member	01/01
Mr A. Ponnusawmy, Member	01/01

Human Resource Committee (HRC)

The GRA HRC has been set up to assist the Board in:-

- (i) Making recommendations for all the HR matters including promotion, retirement gender policy, and recruitment of employees after examining, interviewing and shortlisting of candidates.
- (ii) Examining representations from employees regarding conditions of employment or matters connected with their employment when not satisfactorily attended by Management.
- (iii) Dealing with complaints against employees of the Authority or any staff matters that may be referred thereto.

For the reporting period, the GRA HRC was constituted as follows:-

- Mr. K.Beekharry - Chairperson
- Mrs P. Roy - Member
- Mr O.K. Dabidin - Member
- Mr C. Ujoodhia - Member
- Mr A. Ponnusawmy, - Member (In attendance)
Ag. Chief Executive
- Mrs L.C. Ah Youne - Secretary

During the reporting period, the HRC met on seven occasions specifically for:-

- (i) the shortlisting and interview of candidates who had applied for the post of Chief Executive; and
- (ii) for recommendation to the Board in respect of the Pay review, Grading Structure, and conditions of employment for the staff.



Human Resource Committee Attendance for the reporting period is summarised below:

Members	No of Human Resource Committee Meeting attended
Mr K. Beekharry,	6 (4 as Chairperson and 2 as Member)
Dr. S. Maharahaje	2 (as Member)
Mrs P. Roy	5 (as Member)
Mr O. K. Dabidin	5 (1 as Chairperson and 4 as Member)
Mr C. Ujoodhia	5 (as Member)
Mr A. Poonusawmy, Ag Chief Executive	2 (as member in attendance)

Mrs L.C. Ah Youne acted as Secretary to the HRC on two occasions in the context of Pay review, Grading Structure, and Conditions of Employment.

Auditing and Accounting

The Board is responsible for the timely preparation of the Annual Report which includes the financial statements for every financial year.

As per Section 12 (1) of the GRA Act 2007, the GRA Board shall, not later than six months after the close of every financial year, forward to the Minister a report on the activities of the Authority together with its audited accounts in respect of that financial year. Furthermore, in accordance with the Statutory (Accounts and Audit) Act, the Chief Executive has, not later than 2 months after the end of the financial year to submit the annual report to the Board for approval. After approval by the Board, the Chief Executive must, not later than 30 April after the end of the financial year, submit the Annual Report, including the financial statements, to the National Audit Office.

The Director of Audit, must within 6 months of the date of receipt of the Annual Report, submit the Annual Report and the Audit Report to the Board.

On receipt of the Annual Report including the audited financial statements and the Audit Report, the Board, not later than one month from the date of receipt, furnishes the Minister responsible for the subject of Gambling Regulatory Authority with such reports and financial statements.

Management Profiles

The profile of Top Management is given hereunder:-

Mr. Arnasalon Ponnusawmy

Acting Chief Executive (as from 26th March 2012 till 31st December 2015)

Qualifications:- BSC (Hons) Economics with Statistics – UK
MSC in Financial Economics – UK
Assistant Director – Ministry of Finance & Economic Development

Experience:- Mr A.Ponnusawmy has served the Civil Service for more than 30 years.

Communication with Stakeholders

The GRA spares no efforts to maintain open lines of communication with its stakeholders and the general public for ensuring optimal transparency and disclosure of information at all levels.

Corporate Social Responsibility

As a statutory body the GRA does not have budget provision for corporate social responsibility.

Management Systems & Internal Control

The GRA Board has the responsibility to ensure that procedures and practices are in place to protect the Authority's assets and reputation. The Board reviews regularly the processes and procedures to ensure the effectiveness of the Authority's Internal Control Systems and proper segregation of duties.

Risk Management

To ensure a long term corporate success, the GRA recognises that continuous effort is needed to reinforce its risk management structures and further improve its governance processes to ensure that they are in line with best practices.

At present, responsibility for the identification, assessment and management of risks lies with the Board. A risk committee to advise the Board on the risk strategies has already been set up.



Code of Discipline

The GRA subscribes to the principle of ethical behavior in the day to day affairs. In this context all employees have been instructed to adhere to the Code of Discipline as spelt out in the PRB Report 2013 on the Review of Pay and Grading Structures and Conditions of Employment for the GRA. This is essential to enable the Authority to earn respect from its stakeholders.

Confidentiality and Secrecy

The affairs of the GRA are conducted in a transparent manner, with timely preparation of financial statements and the Annual Report. In addition, employees are complying with the recommendations of the report on the Review of Pay and Grading Structures and Conditions of Employment in relation to disclosure of information regarding the GRA.

Related Party Transaction

The Authority regards the Government of Mauritius as its controlling party and has disclosed at Note 21 to the Financial Statements the related party transactions for the year under review in accordance with IAS 24 (Related Party Disclosures).

As per provisions of the Act constituting the Authority, the Board members represent the interest of stakeholders. However, the Board considers that such representation does not trigger any other related party transactions that would require any further disclosure.

Health and Safety

The GRA recognises that Health and Safety is of fundamental importance for providing and maintaining a healthy, safe and secure working environment for all its staff and stakeholders.

Responsibility towards the Environment

The GRA is committed to providing work practices that preserve the environment. It ensures that the operations of its licensees are conducted in a friendly environment. Equally employees of the Authority are conscious of the need to save heat and light energy when an office is not in use.



General Review

Staffing

The responsibility for the execution of the policy of the Board and the control and management of the day-to-day business of the Authority rests upon the Chief Executive as laid down under section 13(1) of the GRA Act.

The Authority was headed by an Ag. Chief Executive and supported by a personnel of thirteen (13) members including two (2) officers on secondment from the Ministry of Finance and Economic Development and seven officers on contract.

The Authority was also assisted by a team of officers of the “Police des Jeux”.

Horse Racing Organiser

As per section 7 (1)(g) of the GRA Act, the Board approved the holding of 35 race meetings for 2015 Racing Season by the Mauritius Turf Club.

Financial Monitoring

During the period under review all licensees have complied with Section 106 of GRA Act 2007, which provides that “Every licensee, other than a collector or an operator of dart games, shall submit to the Authority and Director-General his audited accounts, not later than 6 months after the date of closing of the accounts.”

Complaints

A significant number of complaints are received from customers failing to understand or follow the stated terms and conditions of the license holders. These complaints are either withdrawn by the customer after explanation or are not upheld by the Authority.

Complaints which involve an expectation by the complainant that they will receive a financial settlement in their favour are treated and settled as soon as the license holder settles the dues or the complainant is satisfied that the case cannot be entertained.

Complaints that cannot be resolved with an operator or need further investigation are referred to the “Police des Jeux”.

Analysis of complaints received during the period 1st January to 31st December 2015

Activity	Types of complaints	Total	Action taken				
			Refer to Police des Jeux	Settled	Withdrawn	Not upheld	Under Process
Casino	Circulation of faked chips	1				1	
Gaming House	Malfunctioning of Gaming Machine	5	1			3	1
	Non validation of winning bet	3			1	2	
	Miscellaneous	6	2			2	2
Bookmaker conducting Fixed Odds Betting on local race	- Tickets – lost, unreadable, cancelled & erroneous, refund i.c.w withdrawal & wrong results	36	14	3	1	4	14
Bookmaker conducting Fixed Odds Betting on Football Matches	- Scheduled kick-off time, tickets (lost, unreadable & erroneous), void matches, Inaccurate fixtures & results	24		9		13	2
Miscellaneous (lotteries)	Tickets – lost, unreadable	16	3	2		8	3
TOTAL		91	20	14	2	33	22

Police des Jeux

The Authority has recourse to the assistance of the Police des Jeux in accordance with section 113 of the GRA Act. Regular meetings are held with the Officer-in-Charge of the Police des Jeux to discuss strategies with a view to combat illegal betting and to enforce the provision of the Act.

During the period 1st January to 31st December 2015, the Police des Jeux has detected 99 cases which contravened the Act.

A summary of these cases are given hereunder:-

No. of cases detected	No of persons contravened	No. of persons arrested	No. of persons convicted	No. of cases dismissed/ no further action	No. of cases pending before Court	No. of cases pending decision of DPP	No. of cases under enquiry
53	28	18	NIL	01	11	NIL	41



Licenseses

As per the GRA Act, the GRA Board shall have power to issue, renew, suspend or revoke any licence. The table gives a breakdown of licence types for period 1st January to 31st December 2015.

Licenseses as at 31 December 2015

Licensee	No. of Licences as at 31st December 2014	No. Licences Issued/ renewed 2015	No. of Licences not renewed 2015	No. of Licences as at 31st December 2015
Bookmakers Racecourse & Offcourse	46	47	8	39
Bookmakers operating by Telephone	2	-	2	-
• No. Outlets	34	-	34	-
Bookmakers operating by SMS	1	1	-	1
• No. of Outlets	20	20	-	20
Bookmaker – FOB on Football matches	7	(New) 1		8
• No. of Outlets	74	8	1	81
Casinos	4	3	1	3
Gaming House “A”	20	20	-	20
Gaming House “B”	2	1	1	1
Gaming Machines	1783	1657	126	1657
Horse Racing Organiser	1	1	-	1
Operator of Mauritius National Lottery	1	1	-	1
Totalisator Operator	2	2	-	2
• No. Of Outlets	48	48	-	48
Limited Payout Machines Operator	1	1	-	1
Licensee of Limited payout Machine	846	-	846	-
Agent of Foreign Pool Promoter	1	1	-	1
Local Pool Promoter	1	1	-	1
Collector	72	83	-	83
Sweepstakes Organiser	3	3	-	3
Dart Games Operator	8	8	-	8
Promotional Lottery	62	54	-	54

Licence fees

No person shall operate unless he holds a licence and pays the appropriate licence fee as per third schedule of the GRA Act which are set out in the table below :-

	Licence	Fee (Rupees)	Period
1.	Casino	3,500,000, payable in 4 equal instalments, each instalment being payable on or before the first day of every period of 3 months	12 months
2(i)	Gaming house "A" in the Island of Mauritius	3,500,000, payable in 4 equal instalments, each instalment being payable on or before the first day of every period of 3 months	12 months
2(ii)	Gaming house "A" in Rodrigues	500,000	12 months
3.	Gaming house "B"	50,000, payable in 4 equal instalments, each instalment being payable on or before the first day of every period of 3 months	12 months
4(i)	Gaming machine in the Island of Mauritius	125,000 per machine, payable in 4 equal instalments, each instalment being payable on or before the first day of every period of 3 months	12 months
4(ii)	Gaming machine in Rodrigues	20,000 per machine	12 months
4A.	Limited payout machine	5,000 per machine	12 months
5.	Horse racing organiser	1,000,000, payable in 4 equal instalments, each instalment being payable on or before the first day of every period of 3 months	Yearly or part thereof

6.	Totalisator operator—		
	(a) at the racecourse	1,000,000	Yearly or part thereof
	(b) outside the racecourse, in respect of each place of business	40,000	Yearly or part thereof
	(c) conducting bets through remote communication—		
	(i) in respect of the principal place of business;	40,000	Yearly or part thereof
	(ii) in respect of each place at which facilities are provided;	40,000	Yearly or part thereof
	(d) conducting local race inter-totalisator betting	3,500,000	Yearly or part thereof
	(e) conducting foreign race inter-totalisator betting	3,500,000	Yearly or part thereof
7.	Bookmaker conducting fixed odds betting on local race—		
	(a) at the racecourse;	500,000	1 January to 15 August of every year or part thereof
		500,000	16 August to 31 December of every year or part thereof
	(b) outside the racecourse;	1,750,000	1 January to 15 August of every year or part thereof
		1,750,000	16 August to 31 December of every year or part thereof
	(c) through remote communication—		
	(i) in respect of the principal place of business;	1,750,000	1 January to 15 August of every year or part thereof
		1,750,000	16 August to 31 December of every year or part thereof
	(ii) in respect of each additional place at which facilities are provided.	20,000	1 January to 15 August of every year or part thereof
		20,000	16 August to 31 December of every year or part thereof

8.	Bookmaker conducting fixed odds betting on any event or contingency— (a) in respect of the principal place of business; (b) in respect of each additional place of business	3,500,000 40,000	12 months 12 months
9.	Sweepstake organiser	15,000	Yearly or part thereof
10.	Local pool promoter	15,000	12 months
11.	Agent of a foreign pool promoter	37,500	12 months
12.	Collector	190	12 months
13.	Operator of dart games— Authorised days and time Days immediately preceding race day falling on Saturday— Day Time Thursday 13.00 hrs to 18.00 hrs Friday 10.00 hrs to 18.00 hrs Days immediately preceding race day falling on Sunday— Day Time Friday 10.00 hrs to 18.00 hrs Saturday 10.00 hrs to 18.00 hrs Race day 09.00 hrs to 18.00 hrs Monday immediately following race day— 12.00 hrs to 16.00 hrs	7,500 per dart board 7,500 per dart board	1 January to 15 August every year or part thereof 16 August to 31 December every year or part thereof
14.	Operator of Mauritius National Lottery	5,000,000	12 months
15.	Lottery under Part XVII	15,000 in respect of each lottery organised	—



Statement of Directors' Responsibilities

GRA has prepared financial statements for the year 2015 which give a true and fair view of its financial position and its financial performance.

In preparing these financial statements, GRA ensures that:-

- Suitable accounting policies are selected and applied consistently;
- Judgements and estimates are reasonable and prudent;
- Applicable accounting standards have been followed, subject to any material departures and explained in the financial statements;
- The financial statements have been prepared on the going concern basis; and
- The Code of the Corporate Governance has been adhered to.

The Board confirms that above requirements have been complied with.

GRA is responsible for keeping proper accounting records for the purpose of recording all the transactions relating to its undertakings, funds, activities and property.

The Board is responsible for the system of Internal Control and Risk Management for the GRA. The Authority is committed to maintain a sound system of risk management and adequate control procedures with a view to safeguarding its assets and for taking responsible steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the GRA Board.


.....
R. Gulbul
Chairperson


.....
K. Beekharry
Member


.....
C. Ringadoo (Mrs)
Chief Executive



Report of the Director of Audit

On the Financial Statements of the
Gambling Regulatory Authority for the
year ended 31 December 2015

REPORT OF THE DIRECTOR OF AUDIT

TO THE BOARD OF THE

GAMBLING REGULATORY AUTHORITY

Report on the Financial Statements

I have audited the accompanying financial statements of the Gambling Regulatory Authority which comprise the Statement of Financial Position as at 31 December 2015, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in General Fund and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the Statutory Bodies (Accounts and Audit) Act, 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards of Supreme Audit Institutions. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the attached financial statements give a true and fair view of the financial position of the Gambling Regulatory Authority as at 31 December 2015, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on Other Legal and Regulatory Requirements

Management's Responsibility

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the laws and authorities which govern them.

Auditor's Responsibility

In addition to the responsibility to express an opinion on the financial statements described above, my responsibility includes expressing an opinion on whether 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.

This responsibility includes performing procedures to obtain audit evidence about whether the agency's expenditure and income have been applied for the purposes intended by the legislature. Such procedures also include the assessment of risks of material non compliance.

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 (Accounts and Audit) Act

The financial statements of the Gambling Regulatory Authority for the year ended 31 December 2015 were submitted to my office on 1 June 2016. A few amendments were deemed necessary and an amended set of financial statements was submitted on 21 February 2017.

In my opinion, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the Statutory Bodies (Accounts and Audit) Act.

Public Procurement Act

The Gambling Regulatory Authority is responsible for the planning and conduct of its procurement. It is also responsible for defining and choosing the appropriate method of procurement and contract type in accordance with the provisions of the Act and relevant Regulations. My responsibility is to report on whether the provisions of Part V of the Act regarding the Bidding Process have been complied with.

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

Financial Reporting Act

The Directors are responsible for preparing the Corporate Governance Report. My responsibility is to report on the extent of compliance with the Code of Corporate Governance as disclosed in the annual report and on whether the disclosures are consistent with the requirements of the Code.

In my opinion, the disclosures in Corporate Governance Report are consistent with the requirements of the Code.



K. C TSE YUET CHEONG (Mrs)
Director of Audit

National Audit Office
Level 14, Air Mauritius Centre
PORT LOUIS

2 March 2017



Financial Statements

Gambling Regulatory Authority

For the Financial Year Ended
31st December 2015




STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2015

		31 DECEMBER 2015	31 DECEMBER 2014 (Restated)	31 DECEMBER 2014
		Rs	Rs	Rs
	NOTES			
Non-Current Assets				
Property Plant And Equipment	6	3,371,387	4,557,733	4,557,733
Intangible Assets	7	145,381	210,047	210,047
Car Loan Receivables	12	785,714	-	-
Retirement Benefits Obligations	8	682,659	659,024	659,024
		4,985,141	5,426,804	5,426,804
Current Assets				
Inventories		168,082	137,549	137,549
Trade & other Receivables	5	35,819	78,140	78,140
Car Loan Receivables Short Term	12	142,857	-	-
Cash & Cash Equivalents	4	12,783,232	10,908,161	10,908,161
Prepayments	5	103,374	77,099	77,099
		13,233,364	11,200,949	11,200,949
TOTAL ASSETS		18,218,505	16,627,753	16,627,753
EQUITY AND LIABILITIES				
Capital and Reserves				
General Fund		2,385,213	1,051,877	3,828,990
Total Net Assets/Equity		2,385,213	1,051,877	3,828,990
Non-Current Liabilities				
Payables				
Car Loan	12	785,714	-	-
Employee Benefits	10	1,305,690	1,168,399	638,624
Deferred Income	13	2,840,275	4,020,628	4,020,628
Refundable Guarantee Deposits	11	7,806,520	8,270,885	6,023,547
		12,738,199	13,459,912	10,682,799
Current Liabilities				
Payables	9	239,041	80,356	80,356
Car Loan Short Term	12	142,857	-	-
Employee Benefits	10	405,705	447,018	447,018
Deferred Income	13	1,517,892	1,588,590	1,588,590
Deposit Licence fees		789,598	-	-
		3,095,093	2,115,964	2,115,964
Total Equity and Liabilities		18,218,505	16,627,753	16,627,753

Approved at 94th Board Meeting held on 27 January 2017



R. Gulbul
 Chairperson



K. Beekharry
 Member



C. Ringadoo (Mrs)
 Chief Executive



**STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2015**

		DECEMBER 2015	DECEMBER 2014 (Restated)
		Rs	Rs
REVENUE	Notes		
Government Grant	13	22,313,349	19,616,053
Other Income	14	470,480	703,881
Deferred Income		1,517,892	1,588,590
Total Revenue		24,301,721	21,908,524
EXPENDITURE			
Operating costs	17	7,222,765	6,988,853
Staff costs	15	8,143,121	8,085,126
Administrative costs	16	5,864,473	4,366,812
Depreciation		1,517,892	1,588,590
Finance costs		63,923	47,895
		22,812,174	21,077,276
SURPLUS/(DEFICIT) FOR THE PERIOD		1,489,547	831,248
Other Comprehensive Income			
Not reclassified to profit or loss in a subsequent period			
Actuarial Gains/(losses) on Defined Benefit Obligations		(156,211)	(117,970)
Total other Comprehensive Income		(156,211)	(117,970)
Total Comprehensive Income/(Loss) for the Year		1,333,336	713,278



Statement of Cash Flows
For the year ended December 31, 2015

	31 DECEMBER 2015	31 DECEMBER 2014 (Restated)
	Rs	Rs
CASH FLOWS FROM OPERATING ACTIVITIES		
(Deficit)/Surplus for the year	1,333,336	713,278
Adjustments for:		
Depreciation and Amortisation	1,517,892	1,588,550
Deferred Income	(1,517,892)	(1,588,550)
Receipt from Licence	367,546,543	342,445,489
Remitted to consolidated fund-licence	(367,546,543)	(342,445,489)
Retirement Benefits Obligations-adjustment	(23,635)	(357,847)
Increase in provisions relating to employee costs	95,978	97,699
Interest Income	(417,537)	(617,240)
OPERATING SURPLUS/DEFICIT BEFORE WORKING CAPITAL CHANGES		
Decrease/(Increase) in Inventories	(30,533)	(29,361)
(Increase)/Decrease in Receivables	(912,564)	(36,976)
Increase/(Decrease) in payables	1,087,256	(19,576)
Increase/(Decrease) in payables	(464,365)	2,749,333
Increase in Deposits	789,598	-
Net cash flow from operating activities	1,457,534	2,499,310
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Plant & Equipment	(266,881)	(213,900)
Interest Received	417,537	617,240
Net cash flow from investing activities	150,656	403,340
CASH FLOWS FROM FINANCING ACTIVITIES		
Government Grant Received	266,881	303,491
Net cashflow from Financing Activities	266,881	303,491
	1,875,071	3,206,141
Net Increase in Cash and Cash Equivalents		
Cash & Cash Equivalents at beginning of year (Note a)	10,908,161	7,702,020
Cash & Cash Equivalents at end of year (Note b)	12,783,232	10,908,161
	1,875,071	3,206,141

Notes to the Statement of Cash Flows

(a) Cash and Cash Equivalents

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

	2015	2014
	Rs	Rs
Cash in hand and at bank	12,783,232	10,908,161



**STATEMENT OF CHANGES IN GENERAL FUND
FOR THE PERIOD 31 DECEMBER 2015**

	2015	2014 (Restated)
	Rs	Rs
Balance at 1 January	1,051,877	3,018,014
<i>(i) Changes in Accounting Policy</i>		
Adjustment for Vacation leave- IAS 19	-	(432,077)
<i>(ii) Correction of prior year error</i>		
Transfer to Refundable Security deposits	-	(2,247,338)
Restated Balance at 01 January	1,051,877	338,599
Surplus/(Deficit) for the year/period	1,333,336	713,278
Balance at 31 December	2,385,213	1,051,877

(i) Change in Accounting Policy

Vacation leave of employees were payable to retiring employees, subject to the maximum allowable cumulative balance, since January 2013. This obligation is being recognised for the first time in the financial statements of 2015. The General Fund balance on 01 January 2014 was accordingly adjusted to reflect this change in accounting policy.

(ii) Correction of Prior Year Error

Security deposits received in cash from bookmakers were wrongly released to equity in 2013. These deposits are refundable to bookmakers on termination of their gaming licences by the Authority.



**STATEMENT SHOWING COMPARISON OF BUDGET FOR THE YEAR ENDED
31 DECEMBER 2015**

BUDGETED AMOUNTS			
	ORIGINAL	ACTUAL AMOUNT	Difference Budgeted Amount and Actual Amount
	Rs	Rs	Rs
REVENUE:			
License Fee	347,500,000.00	366,912,143.00	19,412,143.00
Other Revenue		634,400.00	634,400.00
Recurrent Budget	24,230,000.00	22,313,349.00	(1,916,651.00)
RECURRENT EXPENDITURE(EXCLUDING DEPRECIATION AND AMORTISATION)			
Salaries, Allowances & Bonus	8,390,000.00	6,083,857.00	2,306,143.00
Travelling & Transport	950,000.00	747,308.00	202,692.00
Overtime	50,000.00	56,224.00	(6,224.00)
Staff Welfare	37,500.00	-	37,500.00
Cost of Utilities	1,000,000.00	868,038.00	131,962.00
Fuel, Oil, Insurance & Road Tax	245,000.00	204,099.00	40,901.00
Rental of Building & Parking Slots	5,781,500.00	5,780,328.00	1,172.00
Equipment & Furniture	300,000.00	266,881.00	33,119.00
Office Expenses	125,500.00	180,781.00	(55,281.00)
Maintenance	275,500.00	219,465.00	56,035.00
Cleaning Services	140,000.00	149,500.00	(9,500.00)
Publications & Stationery	400,000.00	217,923.00	182,077.00
Overseas Travel	750,000.00	44,900.00	705,100.00
Board Member Fees	2,365,000.00	3,238,615.00	(873,615.00)
Audit Fees	150,000.00	-	150,000.00
Passage Benefits, Sick/Annual Leave	900,000.00	693,495.00	206,505.00
Miscellaneous Expenses	500,000.00	315,000.00	185,000.00
Pension Contribution	300,000.00	330,660.00	(30,660.00)
Training Fees	20,000.00	-	20,000.00
Professional charges	550,000.00	1,752,488.00	(1,202,488.00)
Responsible Gambling	1,000,000.00	-	1,000,000.00
Total Expenses	24,230,000.00	21,149,562.00	3,080,438.00
Budgeted/Actual Surplus/(Deficit)	-	1,163,787.00	1,163,787.00





NOTES TO THE FINANCIAL STATEMENT

For the Year Ended 31 December 2015

1. (a) LEGAL FORM AND ACTIVITIES

The Gambling Regulatory Act 2007 was proclaimed on 6 Dec 2007 and the Authority became operational on the same date. In accordance with Section 165 (7), the Gambling Regulatory Authority took over the activities, assets and liabilities of the Horse Racing Board. The assets were taken over at its net book value as stated in the Statement of Financial Position at 5th December 2007.

The Gambling Regulatory Authority is a body corporate under the aegis of the Prime Minister's Office.

As per Act the objects of the Authority are:-

- (a) regulate and control gambling activities and the organization of lottery games, sweepstakes and lotteries;
- (b) regulate and monitor the organization of horse-racing;
- (c) promote public confidence in the integrity of the gambling industry and the horse-racing industry;
- (d) ensure that gambling is conducted in a fair and transparent manner;
- (e) foster responsible gambling in order to minimize harm caused by gambling;
- (f) promote tourism, employment and economic development generally; and
- (g) promote the welfare and leisure of the race-going public.

2. STANDARDS AND INTERPRETATIONS IN ISSUE BUT NOT YET ADOPTED

At the date of authorization of these financial statements, the following International Financial Reporting Standards (IFRS) had already been issued but not yet effective:-

List of IFRS in issue but not yet effective - 2015

Sn	IAS/IFRS	Date Issued	Effective Date	Early Adoption Permitted
1	IFRS 14 Regulatory Deferral Accounts	January 2014	01-Jan-16	Yes
2	Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)	May 2014	01-Jan-16	Yes
3	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16)	May 2014	01-Jan-16	Yes
4	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 38)	May 2014	01-Jan-16	Yes
5	IFRS 15 Revenue from Contracts with Customers	May 2014	01-Jan-17	Yes
6	Agriculture: Bearer Plants (Amendments to IAS 16)	June 2014	01-Jan-16	Yes
7	Agriculture: Bearer Plants (Amendments IAS 41)	June 2014	01-Jan-16	Yes
8	Agriculture: Bearer Plants (Amendments to IAS 16 and 41) - Consequential Amendment to IAS 1	June 2014	01-Jan-16	Yes
9	Agriculture: Bearer Plants (Amendments to IAS 16 and 41) - Consequential Amendment to IAS 17	June 2014	01-Jan-16	Yes
10	Agriculture: Bearer Plants (Amendments to IAS 16 and 41) - Consequential Amendment to IAS 23	June 2014	01-Jan-16	Yes
11	Agriculture: Bearer Plants (Amendments to IAS 16 and 41) - Consequential Amendment to IAS 36	June 2014	01-Jan-16	Yes
12	Agriculture: Bearer Plants (Amendments to IAS 16 and 41) - Consequential Amendment to IAS 40	June 2014	01-Jan-16	Yes

13	IFRS 9 Financial Instruments	July 2014	01-Jan-18	Yes
14	Equity Method in Separate Financial Statements (Amendments to IAS 27)	August 2014	01-Jan-16	Yes
15	Equity Method in Separate Financial Statements (Amendments to IAS 27) - Consequential Amendment to IFRS 1	August 2014	01-Jan-16	Yes
16	Equity Method in Separate Financial Statements (Amendments to IAS 27) - Consequential Amendment to IAS 28	August 2014	01-Jan-16	Yes
17	Annual Improvements to IFRSs 2012-2014 Cycle (IFRS 5 Non- current Assets Held for Sale and Discontinued Operations)	September 2014	01-Jan-16	Yes
18	Annual Improvements to IFRSs 2012-2014 Cycle (IFRS 7 Financial Instruments:Disclosures)	September 2014	01-Jan-16	Yes
19	Annual Improvements to IFRSs 2012-2014 Cycle (Consequential amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards)	September 2014	01-Jan-16	Yes
20	Annual Improvements to IFRSs 2012-2014 Cycle (IAS 19 Employee Benefits)	September 2014	01-Jan-16	Yes
21	Disclosure Initiative - Amendments to IAS 1 Presentation of Financial Statements	December 2014	01-Jan-16	Yes
22	Disclosure Initiative - Amendments to IAS 1 - Consequential Amendment to IFRS 7	December 2014	01-Jan-16	Yes
23	Disclosure Initiative - Amendments to IAS 1 - Consequential Amendment to IAS 34	December 2014	01-Jan-16	Yes
24	Amendments to the Basis for Conclusions on IAS 1 Presentation of Financial Statements	December 2014	01-Jan-16	Yes
25	Amendments to the Guidance on implementing IAS 1 Presentation of Financial Statements	December 2014	01-Jan-16	Yes
26	Disclosure Initiative - Amendments to IAS 1 - Consequential Amendment to IFRS 4	December 2014	01-Jan-16	Yes
27	Disclosure Initiative - Amendments to IAS 1 - Consequential Amendment to IFRS 8	December 2014	01-Jan-16	Yes
28	Investment Entities: Applying the Consolidation Exception	December 2014	01-Jan-16	Yes

29	Amendments to IFRS 10 Consolidated Financial Statements	December 2014	01-Jan-16	Yes
30	Amendments to the Basis for Conclusions on IFRS 10 Consolidated Financial Statements	December 2014	01-Jan-16	Yes
31	Amendment to IFRS 12 Disclosure of Interests in Other Entities	December 2014	01-Jan-16	Yes
32	Amendments to the Basis for Conclusions on IFRS 12 Disclosure of Interests in Other Entities	December 2014	01-Jan-16	Yes
33	Amendments to IAS 28 Investments in Associates and Joint Ventures	December 2014	01-Jan-16	Yes
34	Amendments to the Basis for Conclusions on IAS 28 Investments in Associates and Joint Ventures	December 2014	01-Jan-16	Yes

List of IFRS in issue but not yet effective - 2015

Sn	IAS/IFRS	Date Issued	Effective Date	Early Adoption Permitted
1	Effective Date of IFRS 15	September 2015	01-Jan-18	Yes
2	Amendments to IFRS 15 Revenue from Contracts with Customers	September 2015	01-Jan-18	Yes
3	Amendments to the Basis for Conclusions on IFRS 15 Revenue from Contracts with Customers	September 2015	01-Jan-18	Yes



NOTES TO THE FINANCIAL STATEMENT

for the Year Ended 31 December 2015

3. SIGNIFICANT ACCOUNTING POLICIES

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

(i) Basis of Accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

The Financial Statements have been prepared on a going-concern basis and the accounting policies have been applied consistently throughout the period. They have been prepared on the historical cost basis.

The Financial Statements are presented in Mauritian Rupees.

(ii) Revenue Recognition

Revenue consists of grants received from the Government and is recognized on an accrual basis.

(iii) Foreign Currency Transactions

Transactions in foreign currencies are translated to Mauritian rupee at the exchange rate ruling at the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at balance sheet date and gains or losses on translation are recognized in the statement of financial performance.

(iv) Operating Lease

Rentals payable under operating lease agreements are charged to the Statement of Financial Performance on a straight line basis over the term of the relevant lease.

Operating leases are leases of assets, the ownership of which are retained by the lessor.

Operating Lease Arrangements

	31-Dec-15	31-Dec-14
	Rs	Rs
Minimum lease payments under operating lease recognised	5,780,328	5,780,328
At Balance Sheet date, the Authority has outstanding commitments under non-cancellable operating lease, which falls due as follows:		
Less than One Year	5,780,328	5,780,328
Later than One Year and not more than Three Years	8,670,492	8,670,492
Total Operating Lease Obligations	14,450,820	14,450,820

Operating lease payment represents rentals payable by the GRA for the leasehold of office space and two parking slots with effect from 1st April 2014 for a period of three years.

(v) Grant Receivable

Asset-related grants are treated as deferred income and amortized over the useful life of the assets, whereas income-related grants are recognized in the period they become receivable.

(vi) Retirement Benefit Costs

(a) State Plan

The Gambling Regulatory Authority contributes to National Pension Scheme for those working on contract basis. It also contributes for those holding a permanent and pensionable post to the Family Protection Scheme run by SICOM Ltd. The contributions are expensed to the Statement of Financial Performance in the period in which they fall due.

(b) Defined Benefit Pension Plan

The GRA operates a defined benefit pension plan managed by the SICOM Ltd. The Plan is funded by contributions from employees and employer. The employees contribute at the rate of 6% of pensionable salaries, which is effectively paid by the GRA on their behalf as from July 2008. The GRA's rate of contribution is determined by independent actuaries.

The retirement benefit obligation recognized in the Statement of Financial Position represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses and unrecognized past service costs, and as reduced by the fair



value of plan assets. Any asset resulting from this calculation is limited to the unrecognized actuarial losses and past service costs, plus the present value of available refunds and reductions in future contributions to the plan. The current service cost and any past service cost are included as an expense together with the associated interest cost, net of expected return on plan assets.

(vii) Employee Leaves Entitlement

Employee entitlements to sick leave, gratuity, annual leave, vacation leave and passage benefits defined in the contract of employment are recognized as and when they accrue to employees.

(viii) Property, Plant and Equipment

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

Depreciation is charged so as to write off the cost of assets by equal installments over their estimated useful lives using the straight line methods as follows:-

	Expected useful life	Rates of Depreciation per annum
Computer- Hardware, Peripherals & Electronic Equipment	3 years	33.33%
Office Equipment	5 years	20%
Motor Vehicles	5 years	20%
Furniture, Fixtures & Fittings	10 years	10%

When the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Financial Performance.

Purchase of non-current assets below the threshold of Rs 5,000 is written off during the year.

(ix) Intangible Assets

Computer software that is not considered to form an integral part of any hardware equipment is recorded as intangible assets. The software is capitalized at cost and amortized over its estimated useful lives of 5 years.

(x) Impairment

At the end of each reporting period, the Authority reviews the carrying amounts of its tangible and intangible assets to determine whether there is any 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.

(xi) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and cash at bank which are subject to an insignificant risk of changes in value.

(xii) Inventories

Inventories are measured at the lower of cost and net realizable value. Cost includes all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs to be incurred in marketing, selling and distribution.

(xiii) Provisions

Provision are recognized when the GRA has a present obligation as a result of a past event, and it is probable that the GRA will be required to settle that obligation.

(xiv) Financial Instruments

Financial assets and financial liabilities are recognized in the Authority's Statement of Financial Position when the Authority has become a party to the contractual provisions of the instrument.



The accounting policies in respect of the main financial instruments are set out below:-

(a) Trade receivables

Trade receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

(b) Trade payables

Trade payables are stated at their nominal value.

(xv) Critical Judgements and Key Sources of Uncertainty

The preparation of financial statements in accordance with IFRS requires the Authority's management to exercise judgements in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that may affect the reported amounts and disclosures in the financial statements. Judgements and estimates are continuously evaluated and are based on historical experience and other factors, including expectations and assumptions concerning future events that are believed to be reasonable under the circumstances. The actual results could, by definition therefore, often differ from the related accounting estimates.

Where applicable, the notes to the financial statements set out areas where management has applied a higher degree of judgement that have a significant effect on the amounts recognized in the financial statements, or estimations and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

The key assumptions concerning the future and other key sources of estimation and uncertainty at the Statement of Financial Position date include useful lives of Property Plant and Equipment and Retirement Benefits Obligations.

(xvi) Amendments on IAS 19 Employee Benefits

The GRA revised its accounting policy on vacation leave allowed to its confirmed officers during the year 2015 in line with provisions of the IAS. The change was applied retrospectively in accordance with transitional provisions of the IAS.

Impact on Comprehensive Income - (Decrease) in Surplus

	2015	2014
	Rs	Rs
Statement on Comprehensive Income		
Staff cost	(4,481)	(97,698)

Impact on Equity - (Decrease) in Net Equity

	31-Dec-15	31-Dec-14	31-Dec-13
	Rs	Rs	Rs
Non-Current Liabilities			
Employee Benefit Liability	(534,256)	(529,775)	(432,077)

4. CASH AND CASH EQUIVALENTS

	31 DECEMBER 2015	31 DECEMBER 2014
	Rs	Rs
Savings A/C	1,861,303	408,751
Savings A/C-License	789,598	214,542
Savings A/C-Deposit	10,129,674	10,281,937
Cash in hand	2,657	2,931
TOTAL	12,783,232	10,908,161

5. RECEIVABLES

	31 DECEMBER 2015	31 DECEMBER 2014
	Rs	Rs
Interest Receivable	35,819	78,140
Prepayments	100,374	74,099
Prepayments-Deposit	3,000	3,000
	139,193	155,239



NOTES TO THE FINANCIAL STATEMENT

For the year ended 31 December 2015

6. PROPERTY PLANT AND EQUIPMENT

	COMPUTER HARDWARE PERIPHERALS	OFFICE EQUIPMENTS	FURNITURE & FITTINGS	MOTOR VEHICLES	TOTAL
	Rs	Rs	Rs	Rs	Rs
COST					
At 1 January 2015	1,361,367	682,661	2,217,902	4,657,211	8,919,141
Additions	212,141	54,740	-	-	266,881
Disposals	-	-	-	-	-
At 31 December 2015	1,573,508	737,401	2,217,902	4,657,211	9,186,022
DEPRECIATION					
At 1 January 2015	996,290	639,138	1,209,061	1,516,919	4,361,408
Charge for the year	267,009	40,717	214,059	931,442	1,453,227
Disposal	-	-	-	-	-
31 December 2015	1,263,299	679,855	1,423,120	2,448,361	5,814,635
CARRYING AMOUNT					
At 31 December 2015	310,209	57,546	794,782	2,208,850	3,371,387
At 31 December 2014	365,078	43,523	1,008,841	3,140,291	4,557,733





NOTES TO THE FINANCIAL STATEMENT

For the year ended 31 December 2015

7. INTANGIBLE ASSETS

COST	COMPUTER SOFTWARE Rs
AT 31 DECEMBER 2015	656,324
DEPRECIATION	
AT 1 JANUARY 2015	446,277
CHARGE FOR THE YEAR	64,665
AT 31 DECEMBER 2015	510,942
CARRYING AMOUNT	
AT 31 DECEMBER 2015	145,381
AT 31 DECEMBER 2014	210,047



NOTES TO THE FINANCIAL STATEMENT

For the year ended 31 December 2015

8. RETIREMENT BENEFIT OBLIGATION

The pension plan is a defined benefit plan for employees and is funded by both the GRA and its employees. The assets of the funded plan are held and administered independently by SICOM Ltd.

	31 DECEMBER 2015 Rs	31 DECEMBER 2014 Rs
Amount recognised in Statement of financial Position at end of year		
Present value of funded obligation	1,103,804	852,301
(Fair value of plan assets)	(1,786,463)	(1,511,325)
Liability recognised in Balance sheet at year end	(682,659)	(659,024)
Amounts recognised in statement of financial performance		
Financial performance		
Current service cost	141,513	126,080
(Employee Contributions)	(94,475)	(90,234)
Fund Expenses	5,354	5,113
Interest Cost	(59,033)	(57,381)
	(6,641)	(16,422)
Remeasurement		
Liability(gain)/Loss	52,206	85,962
Asset(gain)/Loss	104,005	32,008
Total Other Comprehensive Income(OCI)	156,211	117,970
Recognized		
Total	149,570	101,548
Movements in liability recognised in Statement of Financial Position:		
At start of year	(659,024)	(595,158)
Total staff cost as above	(6,641)	(16,422)
(Contributions paid by employer)	(173,205)	(165,414)
Amount recognised in OCI	156,211	117,970
At end of year	(682,659)	(659,024)
Actual return on plan assets:	19,035	73,268
Main actuarial assumptions at end of year:		
Discount rate	7.50%	8.00%
Future Salary increases	5.00%	5.50%
Future pension increases	3.00%	3.50%

Reconciliation of the present value of defined benefit obligation

Present value of obligation at start of period	852,301	598,684
Current Service Cost	141,153	126,080
Interest cost	63,923	47,895
(Benefits paid)	(6,139)	(6,320)
Liability(gain)/Loss	52,206	85,962
Present value of obligation at end of period	1,103,444	852,301

Reconciliation of fair value of plan assets

Fair value of plan assets at start of period	1,511,325	1,193,842
Expected return on plan assets	122,956	105,276
Employer Contributions	173,205	165,414
Employee Contributions	94,475	90,234
(Benefits paid-other outgo)	(11,493)	(11,433)
Asset gain/(Loss)	(104,005)	(32,008)
Fair value of plan assets at end of period	1,786,463	1,511,325

Distribution of plan assets at end of period

	31 DEC 2015	31 DEC 2014
Percentage of assets at end of year		
Government Securities and cash	58.1%	57.1%
Loans	4.3%	4.1%
Local equities	15.9%	21.1%
Overseas bonds and equities	21.0%	17.0%
Property	0.7%	0.7%
Total	100.0%	100.0%

Additional disclosures on assets issued or used by reporting entity

	2015	2014
	(%)	(%)
Percentage of assets at end of year		
Assets held in the entity's own financial instruments	0	0
Property occupied by the entity	0	0
Other assets used by the entity	0	0

Components of the amount recognised in OCI

Year	2015	2014
Currency	Rs	Rs
Assets experience gain/(Loss) during the period	(104,005)	(32,008)
Liability experience gain/(Loss) during the period	(52,206)	(85,962)
Surplus/(deficit)	(156,211)	(117,970)

Year

Expected employer Contributions	2016
	181,868

Weighted average duration of the defined obligation

(Calculated as a % change in PV of liabilities for a 1% change in discount rate)

38 years

The plan is exposed to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk. The risk relating to death in service benefits is re-insured.

The cost of providing the benefits is determined using the Projected Unit Method.

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



	Year ending 31 DECEMBER 2015	Year ending 31 DECEMBER 2014
Discount rate	7.50%	8.00%
Future salary increases	5.00%	5.50%
Future pension increases	3.00%	3.50%
Mortality before retirement	A 6770 Ultimate Tables	
Mortality in retirement	PA(90) Tables- rated down by 2 years	PA(90) Tables
Retirement age	As per second Schedule in the Statutory Bodies Pension Funds Act	

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

If the discount rate would be 100 basis points(one per cent) higher (lower), the defined benefit obligation would decrease by Rs0.3M(increase by Rs0.4M)if all other assumptions were held unchanged.

If the expected salary growth would increase (decrease) by 100 basis point, the defined benefit obligation would increase by Rs0.3M (decrease by Rs0.3M)if all assumptions were held unchanged.

If life expectancy would increase(decrease) by one year, the defined benefit obligation would increase by Rs0.02M (decrease by Rs0.02M) if all assumptions were held unchanged.

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

9. TRADE AND OTHER PAYABLES

	31 DECEMBER 2015 Rs	31 DECEMBER 2014 Rs
Current Liabilities		
Payables and Accrued Expenses	239,041	80,356

NOTES TO THE FINANCIAL STATEMENT

For the year ended 31 December 2015

- 10. Employee benefits represent provision for sick leave, passage benefits and gratuity**
This year the Accumulated Balance under these items are detailed as below:

	31 DECEMBER 2015	31 DECEMBER 2014 (Restated)
	Rs	Rs
Opening Balance	1,615,416	914,595
Earnings for the year	734,075	1,118,366
Paid to staff	(638,095)	(417,545)
Balance as at 31 December	1,711,396	1,615,416

These obligations are as follows:

Current Liabilities

Payable within one year	405,705	447,017
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Non-Current Liabilities

Payable after one year	1,305,690	1,168,399
	1,711,395	1,615,416



11. REFUNDABLE GUARANTEE DEPOSITS

Security deposit in the form of Bank Guarantee for the sum of Rs142,218,816 has been furnished by licensees in 2015. An amount of Rs1,807,160 was received in terms of cash in 2015.

DEPOSIT HELD WITH GRA 31 DECEMBER 2015

	Rs
BALANCE AS AT 31.12.14	10,281,937
Deposit(1.01.15 TO 31.12.15)	1,807,160
Less refund of deposit(1.1.15-31.12.15)	(2,271,525)
Less bank charges	(250)
Interest for the year 2015	343,784
Interest Credited to General Account	(31,682)
Balance as per Bank Statement	10,129,424.00
 Total Deposit (A/C 9300) at 31.12.14	 8,270,885
Deposit(1.1.15-31.12.15)	1,807,160
Less refund of deposit(1.01.15-31.12.15)	(2,271,525)
Balance as at 31 December 2015	7,806,520.00

12. CAR LOAN

Eligible officers of the GRA are granted car loan as per terms and conditions in the PRB report.

Outstanding capital on car loans as at 31 December 2015 were as follows:

	31 DECEMBER 2015
	Rs
Balance at 1 January	-
Loan Granted during the Year	1,000,000
Refunds	(71,429)
Balance at 31 December	928,571
Analysed as follows:	
Short Term	142,857
Long term	785,714
	928,571



13. GRANT FROM GOVERNMENT

	31 DECEMBER 2015 Rs	31 DECEMBER 2014 Rs
At 1 January	5,609,178	6,894,237
Transfer from Recurrent Grant	266,881	303,491
Amount released to Statement of financial position	(1,517,892)	(1,588,550)
	<u>4,358,167</u>	<u>5,609,178</u>
Amount to be amortised within one year recognised as current liability	(1,517,892)	(1,588,550)
At 31 December Recurrent Grant	<u>2,840,275</u>	<u>4,020,628</u>
Received during the period	22,580,230	19,929,000
Transfer to capital Expenditure	(266,881)	(303,491)
	<u>22,313,349</u>	<u>19,625,509</u>

14. OTHER INCOME

	31 DECEMBER 2015 Rs	31 DECEMBER 2014 Rs
Interest Received	417,661	617,240
Interest Receivable	35,819	78,140
Sundry Income	17,000	8,500
Total	470,480	703,880

15. STAFF COSTS

	31 DECEMBER 2015	31 DECEMBER 2014 (Restated)
	Rs	Rs
Social Security Costs	50,352	47,838
Salaries and Allowances	7,429,258	7,415,316
Employee Benefits Obligations	734,075	686,289
Retirement Benefit Obligations	(70,564)	(64,317)
	8,143,121	8,085,126

16. ADMINISTRATIVE EXPENSES

	31 DECEMBER 2015	31 DECEMBER 2014
	Rs	Rs
BOARD MEMBER FEES	3,238,615	2,538,660
LEGAL FEES	258,460	246,799
POSTAGE	5,696	9,311
MISC EXPENSES	5,760	16,625
ALLOWANCES	31,700	-
NEWSPAPERS & PERIODICALS	16,755	19,045
PRESS NOTICE	89,552	244,694
OFFICE SUPPLIES AND REFRESHMENTS	33,537	25,074
CLEANING SERVICES	130,106	133,548
CLEANING SERVICES DUE	4,452	4,452
REPAIRS AND MAINTENANCE	179,534	100,846
GENERAL EXPENSES	12,873	12,595
BANK CHARGES	17,727	18,348
PROFESSIONAL FEES	1,614,028	376,598
OVERSEAS MISSION	44,900	464,127
INSURANCE PERSONAL & ASSETS	27,566	21,545
FUEL, OIL, INSURANCE AND ROAD TAX	153,212	74,545
AUDIT FEES	-	60,000
TOTAL	5,864,473	4,366,812

17. OPERATING COSTS

	31 DECEMBER 2015 Rs	31 DECEMBER 2014 Rs
POLICE DES JEUX	315,000	125,000
OFFICE RENT	5,780,328	5,780,328
TELEPHONE CHARGES	368,358	405,560
TELEPHONE DUE	32,147	28,380
ELECTRICITY CHARGES	457,445	474,541
ELECTRICITY DUE	45,063	43,897
PRINTING AND STATIONERY	224,424	131,147
TOTAL	7,222,765	6,988,853

18. DEPRECIATION

	Rs
MOTOR VEHICLES	931,442
FURNITURE & FITTINGS	214,059
OFFICE EQUIPMENT	40,717
COMPUTER EQUIPMENT	267,009
COMPUTER SOFTWARE	64,665
TOTAL	1,517,892



NOTES TO THE FINANCIAL STATEMENT

For the year ended 31 December 2015

19. RISK MANAGEMENT

Fair Values

The Directors are of opinion that the carrying amounts of the financial assets and liabilities approximate their fair values due to the short term nature of the balances involved.

Currency profile

The Authority's financial assets and liabilities are denominated in Mauritian Rupees.

Currency risk

The Authority is not exposed to foreign currency risk.

Credit risk

The Authority's credit risk is primarily attributable to its trade receivables. At the year end, the Authority had no significant concentration of credit risk which has not been adequately provided for.

Interest Rate risk

The Authority's income and operating cash flows are substantially independent of changes in market interest rates and it is considered that possibility of outflow in settlement is remote.

20. CONTINGENT LIABILITIES

The GRA has contingent liabilities in respect of 24 cases which are being disputed before the court. However, it is difficult to give a prudent estimate of their financial effects.

NOTES TO THE FINANCIAL STATEMENT

For the year ended 31 December 2015

21. RELATED PARTY TRANSACTIONS

The immediate and ultimate controlling party of the Authority is the Government of Mauritius and for the period under review the following disclosures are being made in accordance with IAS 24.

	31 DECEMBER 2015 Rs	31 DECEMBER 2014 Rs
(i) Grants from Government		
Capital Grant		
Balance 1 January	6,056,971	6,056,971
Received during the period		-
Deferred during the Period		-
Balance 31 December	6,056,971	6,056,971
Revenue Grant		
Received during the period	22,580,230	19,929,000
(ii) Compensation to key Management Personnel		
Short term Benefits		
Fees to Board Members	3,238,615	2,538,660
Management Personnel Compensation	624,000	624,000

