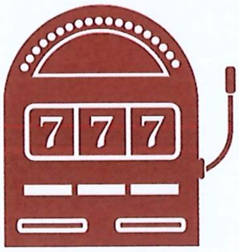
GAMBLING REGULATORY AUTHORITY

ANNUAL REPORT

2019-2020



VISION AND MISSION

1. Our Vision

As a regulatory body, our activities revolve around deeply rooted values of incorruptibility, meritocracy and impartiality. Those values are not only at the core of the GRA, but govern what we ambition to become in the future: a respected, world-class, forward-looking and dynamic Authority, recognised for its proactiveness, strong sense of integrity and justice.

2. Our Mission

Our primary mission is to protect gamblers while ensuring that any gambling activity they might engage themselves into is legally compliant and does not violate their rights. In addition, the Gambling Regulatory Authority's role is to find means and ways to curtail illegal betting and to monitor gambling activities so that they are conducted in a fair and transparent manner. We aim to:

1. Deliver prompt and efficient services to our stakeholders;
2. Monitor all gaming and gambling activities and ensure that they are conducted in a fair and transparent manner;
3. Foster responsible gambling in order to create awareness and minimize the harm caused by gambling;
4. Turn Mauritius into a healthy gambling hub; and
5. Depict Mauritius as an innovative and safe betting destination for tourists.

requirements. With the guidance of FATF experts, the GRA has developed the appropriate guidelines and necessary Technical Procedures Manual on the way the examination teams from the AML/CFT Unit of the GRA has to be constituted, the different research methodologies they can use, the pertinent areas to be taken on board during the off- site and the on-site examinations and report writing, so that the AML/CFT Unit uses a scientific method to assess the compliance of GRA's licensees with respect to AML/CFT Act.

Monitoring of licensees without enforcement and sanctions for non-compliance serve no purpose. The GRA with the assistance of international experts has also prepared an Enforcement and Sanctions Manual to clearly spell out the different kinds of administrative and statutory sanctions which could be imposed for the different kinds and levels of non-compliance to AML/CFT requirements and to dissipate any abuse of power or subjectivity. Examination teams have been set up and licensees are being assessed for their compliance with AML/CFT and actions are being taken in accordance with the Manuals. It would be my humble call to all stakeholders of this sector to join hands together to show the effectiveness of these obligations. GRA is here to assist, support and collaborate in this respect.

In addition, the Police des Jeux is being brought within the premises of the GRA to ensure better communication and coordination and to develop synergies to enable obtention of prompt and better results. The inspectors of GRA have been given wider and additional powers. They can now enter any premises to search, seal or seize equipment etc. for the purposes of examinations.

Gradually, the regulatory powers of the GRA are being increased. The Appeal Committee to review the decisions of the racing stewards of the Horse Racing Organiser which was under the purview of Mauritius Turf Club (MTC) until now has been brought under the aegis of the GRA. The regulations related to the Appeal Committee are nearly finalised. Furthermore, all Directions issued by the GRA and even the Rules of Racing now have statutory force.

The Authority will leave no stones unturned to sanitise the gambling industry, be it from cheating, illegal betting or money laundering. While looking back at the progress we have made so far, I can reaffirm that the GRA has successfully introduced and implemented several policies/ measures which will be contributing to the betterment of the gambling sector. We hold that these initiatives are already bearing their fruits and are paving the way to achieving more trust and credibility within the public, especially punters, and to enhance responsible gambling.

On a closing note, I wish to extend my deepest gratitude to all Board members of the GRA, to all our stakeholders whose collaboration and support are vital, the parent Ministry, and last but not least, all the staff members of the GRA for their commitment, diligence and dedication for heading with vigour and enthusiasm towards realising the mission and objectives of the GRA.

Om Kumar Dabidin

Chairperson

....

CORE VALUES AND STRATEGIC OBJECTIVES

1. 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.

2. 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.

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.

GRA
GAMBLING REGULATORY AUTHORITY

Principle 1 – Governance Structure

The Gambling Regulatory Authority recognizes good corporate governance practices as a pre – requisite for good performance within the organization. The Gambling Regulatory Act provides that the Authority is managed and administered by the Gambling Regulatory Authority Board. Its mandate is to effectively regulate and control gambling operations across the country while ensuring compliance of its licensees for the promotion of fair, transparent and responsible gambling. The Board comprises non-executive Directors including a Chairperson, a Vice Chairperson, a representative of the Prime Minister's Office, a representative of the Attorney General's Office, a representative of the Ministry responsible for the subject of Finance, a representative of the Ministry responsible for the subject of Tourism, a representative of the Commissioner of Police and three other members.

According to the Act, the Board's main prerogative, is to issue, renew, suspend or revoke licences issued by its authority. It has the duty to ensure the protection of the public through the regulation and supervision of gambling activities. Moreover, the Board can initiate investigations into suspicious or illegal gambling-related matters and impose financial penalties for non-compliance with conditions of licence, rules, directions or guidelines.

The Act further establishes that the Authority shall have a Chief Executive responsible for the execution of the policy of the Board, as well as for the control and management of its day-to-day business. The Chief Executive is also expected to, unless otherwise directed by the Board, attend every Board meeting and take part in its deliberations, without having the right to vote.

Principle 2 - The Structure of the Board and its Committees

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.

Profiles of Board Members

Mr Om Kumar DABIDIN
Chairperson

Mr O. K. Dabidin, Secretary for Home Affairs at the Prime Minister's Office (Defence & Home Affairs Division) was appointed member of the Gambling Regulatory Board in November 2017 and is, with effect from 05 April 2018, Chairman of the Authority.

Mr O. K. Dabidin is, amongst others, Board member of the following statutory bodies:

(i) Mauritius Ports Authority;

(ii) Cargo Handling Corporation Ltd;

(iii) Mauritius Oceanographic Institute; and

(iv) Information and Communication Technologies Authority.

Mr O. K. Dabidin began his career as a teacher in the secondary schools and later joined the civil service as Administrative Officer at the Prime Minister's Office. He is a seasoned public officer having held a number of senior positions over the last two decades across a wide range of Ministries such as Finance & Economic Development; Youth and Sports; Agriculture & Food Technology and Natural Resources, Environment and Civil Service and Administrative Reforms. He was Acting Permanent Secretary at the Ministry of Health and Quality of Life.

Mr O. K. Dabidin spearheaded a number of projects in several Ministries and Departments and contributed to public sector reforms designed in bringing about, throughout government institutions, more effectiveness and efficiency in service delivery including improvement of the quality of service to citizens.

With his present position at the Gambling Regulatory Authority, he is committed, with all Board Members, staff and other stakeholders, to work together toward the realization of the objectives of the Authority in light of prevailing legislations and in line with the policy directions set out by Government in the Gambling and Betting Sector.

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 Mauritius, Law and Political Science from Birmingham University, UK, and was called to the bar in UK in 1981 at the Middle Temple, Inn of Court.

He joined the Crown Law office in Mauritius in 1982 and occupied all higher positions in Attorney General's Office, including those of Parliamentary Counsel and Acting Director of Public Prosecutions, until his appointment as Solicitor General in 1998.

He has since long been elevated to the rank of Senior Counsel. He was conferred the G.O.S.K. award by the President. He is the main non-political legal adviser to Government and the legal adviser of a number of public bodies. He has represented the State in Criminal and Civil, as well as constitutional and administrative law cases before lower Courts as well as the Supreme Courts.

Besides his nearly 38 years' experience as a lawyer and legal adviser to, and Counsel for, Government Departments and a number of other public bodies, he has held and still holds various other positions including Directorships, in the regulatory, financial and commercial sectors. He is also a former member of the Arbitral Tribunal of the Commonwealth Secretariat.

Mr D. K. Dabee is the Chairperson of the Control and Arbitration Committee of the Mauritius Cane Industry Authority and a division of the Medical Tribunal. He also represents the Attorney General's Office on the Board of Independent Broadcasting Authority and is currently Chairman of the Financial Intelligence Unit following his appointment in November 2016.

Mr Dheerendra Kumar DABEE G.O.S.K., S.C.
Board Member

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 25 years. He was formerly the Marketing Executive of a textile firm.

Ms Kalianee KAUTICK
Board Member

Ms K. Kautick, Deputy Permanent Secretary, is posted to Cabinet Office of the Prime Minister's Office since September 2017. She holds a Master of Science in Public Sector Management as well as a *Diplome du Cycle International d'Administration Publique* at *Ecole Nationale d'Administration* in Strasbourg.

In her capacity as Assistant Permanent Secretary she has worked at the National Development Unit dealing essentially with projects and Home Affairs Division of the Prime Minister's Office as desk officer for issues related to Police and security.

10. Human Resource Committee (HRC)

The Human Resources Committee (HRC)

The Human Resource Committee 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 Human Resource Committee was constituted as follows: -

- Mr R. Moolye – Chairperson (until 21 August 2019)
- Mr K. Beekharry – Chairperson (as from 22 August 2019)
- Mrs S.D. Gujadhur-Nowbuth – Member (as from 22 August 2019)
- Mr C. Ujoodhia - Member
- Mr V. Vythilingum – In attendance

During the reporting period, the HRC met specifically for:

(i) the interview of candidates who had applied for the post of:

- Anti-Doping and Equine Regulator & Investigator
- Betting Analyst

(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 R. Moolye	1/4
Mrs S.D. Gujadhur-Nowbuth (in replacement of Mr R. Moolye)	3/4
Mr K. Beekharry	1/4
Mr C. Ujoodhia	4/4
Mr V. Vythilingum (In attendance)	3/4

Composition and reporting line of the Managing Committee for the Responsible Gambling and Capacity Building Fund

Following the consolidation of accounts of the Responsible Gambling and Capacity Building Fund and the GRA, the Managing Committee reports directly to the Board. Additionally, the Communication and Responsible Gambling Officer reported to the Managing Committee and the Board, through the Chief Executive, for matters related to Responsible Gambling.

For the period of July 2019 to June 2020, the Managing Committee was constituted as follows:

Acting Chairperson	Mr M. Bheekhee (appointed as Member as from 31 May 2017 ; Acting Chairperson as from 16 April 2019)
Member	Mr N. Soopramanien (appointed as member as from 31 May 2017)

Profiles of Managing Committee Members

Mr Mahensingh BHEEKHEE – Acting Chairperson/ Member

Mr M. Bheekhee is currently Lead Analyst at the Ministry of Finance, Economic Planning and Development. He started his career as Education Officer and has worked at the Ministry of Finance for more than 24 years. He holds a Bsc (Hons) in Economics from the University of Mauritius and a Master in Financial Economics from the University of London.

External appointments:

(a) Board Member at the Mauritius Revenue Authority

(b) Board Director at the Mauritius Civil Service Mutual Aid Association Ltd

(c) Board Director at the State Investment Finance Corporation Ltd

Principle 3 – Board Appointment Procedures

Members of the Board are appointed by their respective ministers on such terms and conditions as they may determine. The Act requires that no members should have or have had a direct or indirect interest in any activity regulated under same in the last 5 years prior to appointment.

Principle 4 – Board Duties, Remuneration and Performance

Functions of the Board

The roles and functions of the Board are laid under section 6 of the GRA Act 2007 which is 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 for the detection of fraud in gambling, horse-racing, lottery games, sweepstakes, lotteries, or Government lotteries;

(f) do such things as are incidental or conductive 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.

GRA
GAMBLING REGULATORY AUTHORITY

Board Allowances and Board Fees

The Chairperson of the Board, Mr O. K. Dabidin was paid an all-inclusive monthly fee of Rs 50,000.

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 for the period of July 2019 to June 2020 are as follows:

Name (Title)	**Amount (Rs)**
Mr. O. K. Dabidin (Chairperson)	600,000
Dr. S. P. W. Maharahaje (Vice Chairperson)	420,000
Mr. D. K. Dabee (Member)	300,000
Mr. K. Beekharry (Member)	300,000
Mr. G. P. Bussier (Member)	300,000
Mr. R. Moolye (Member)	41,935
Mrs S. D. Gujadhur Nowbuth (Member)	258,871
Mr. K. Jhugroo (Member)	300,000
Ms K. Kautick (Member)	300,000
Mr. C. Ujoodhia (Member)	300,000

The following Board Members were paid allowances for attending Sub Committees during period July 2019 to June 2020:

Board Member	**Human Resource Committee (Rs)**	**Finance & Procurement Committee (Rs)**
Dr. S. P. W. Maharahaje	-	14,000
Mr G.P Bussier	-	21,000
Mr K. Beekharry	10,000	-
Mr C. Ujoodhia	28,000	30,000
Mr R. Moolye	10,000	-
Ms K. Kautick	-	21,000
Mrs S. D. Gujadhur	27,000	-

currencies other than Mauritian Rupees are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date.

Operational Risk Management

Operational Risk Management can prove to be useful for organisations aiming to plan strategically on the ways to manage risks. Knowledge and awareness on the importance of containing and managing risks have been imparted to key members and staff of the Authority for this purpose.

Legal Risk

The Authority is conscious of the legal risks associated with its duties and responsibilities. Even though the Gambling Regulatory Authority is a non-profit making entity, the risks of incurring legal lawsuits and damages are present. As a preventive measure, legal advice is sought from the external and internal lawyers, as well as from the State Law Office.

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 Management ensures the effectiveness of the Authority's Internal Control Systems and proper segregation of duties. The Authority seeks the services of Internal Control Department of the Ministry of Finance, Economic Planning and Development as and when required. An Internal Audit Division will be set up upon recruitment of an Auditor.

Principle 6 – Reporting with Integrity

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 2016 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

iii. Banks and other financial institutions
iv. The Mauritius Revenue Authority
v. The Treasury

Related Party Transactions

The Authority regards the Government of Mauritius as its controlling party. Related party transactions for the Authority during financial year 2019/2020 are as follows:

i. Government grant received amounting to Rs 75.3 out of which an amount of Rs 30 M was accounted as Government Grant receivable in 2018/2019.
ii. Fees paid to Board members Rs 3.4 M.
iii. Employees of the Authority which include key administrative personnel namely the Chief Executive, Administrative and Human Resource Manager, Information Systems Officer and the Accountant. Remuneration paid to these key personnel amounted to Rs 5.04 M.
iv. Eligible employees are granted duty free facilities and/or loans for the purchase of car as prescribed in the Pay Research Bureau Report. The details, amount granted and balances under these loans are given at note 8 in the financial statements. There are no other loans to key management personnel or to other categories of staff.
v. License fees collected are remitted into the Consolidated Fund and for the year under review an amount of Rs 343.7 M was remitted into the Consolidated Fund.
vi. The Mauritius Revenue Authority under the GRA Act levied gambling taxes. An amount of Rs 69.7 M was remitted to the Responsible Gambling and Capacity Building Fund by the MRA.
vii. The Authority issued licences for operator and gaming machines to four casinos owed by the State Investment Corporation Limited against payment of Rs 11.1 M as operator licence fees and Rs 32.4 as gaming machines licence.
viii. The National Solidarity Fund under the GRA Act is in receipt of unclaimed prizes. As per GRA Act any winning which has not been claimed by a punter shall be paid into the National Solidarity Fund. The National Solidarity Fund collected an amount of Rs 79.9 M for unclaimed prizes for the period July 2019 to June 2020.
ix. The Authority is assisted in its enforcement and surveillance mandate by the Police Des Jeux, a unit under the purview of the Police Department. For the year ended 30 June 2020, fourteen Officers were posted in the Police des Jeux Unit and salaries paid by the Government to these Officers amounted to around Rs 5.1 million. Allowances amounting to Rs 214,400 M was

GENERAL REVIEW

Analysis of complaints received during the period 01 July 2019 to 30 June 2020

			Action Taken				
Activity	Types of Complaints	Total	Refer to Police Des Jeux	Settled	Withdrawn	Not upheld	Under Process
Casino	Miscellaneous	-	-	-	-	-	-
Gaming House	Alleged manipulation of gaming machines	3	-	2	-	-	1
	Malfunctioning of gaming house	2	-	2	-	-	-
	Non- Validation of winning bet	-	-	-	-	-	-
	Alleged mismanagement of gaming house	-	-	-	-	-	-
	Miscellaneous	6	3	4	-	-	2
	Alleged harassment from senior staff	-	-	-	-	-	-
Amusement Machine	Negative influence on society	-	-	-	-	-	-
	Illegal operation of Amusement machine	1	-	1	-	-	-
	Illicit activities and alleged Money Laundering	-	-	-	-	-	-
	Application of Amusement Machine Operator	1	-	1	-	-	-
Bookmaker conducting Fixed Odds Betting on local race	Tickets (lost, unreadable, cancelled & erroneous), refund i.c.w. withdrawal & wrong results, etc.	7	-	-	-	-	7
Bookmaker conducting Fixed Odds Betting on Football Matches	Scheduled kick-off time, tickets (lost, unreadable & erroneous), void matches. Inaccurate fixtures & results, etc.	15	-	8	-	6	1
Miscellaneous (lotteries)	Tickets - lost, unreadable, etc.	2	-	2	-	-	-
TOTAL		37	3	20	0	6	11

4. Licensees as at 30 June 2020

As per the GRA Act, the GRA Board shall have the power to issue, renew, suspend or revoke any licence. The table gives a breakdown of licence types as at 30 June 2020.

Licensee	No. of Licensees as at 30 June 2019	No. of Licences issued / renewed 01 July 2019 to 30 June 2020	No. of Licences not renewed 01 July 2019 to 30 June 2020	No. of Licences as at 30th June 2020
Bookmakers : Race Course & Off course	38	30	8	30
Bookmakers operating by SMS	1	1	-	1
• No. of Outlets	24	25	-	25
Bookmakers operating by telephone	2	2	-	2
• No of outlets	48	50	-	50
Bookmaker – FOB on Football matches	9	9	1	8
• No. of Outlets	97	92	5	92
Casinos	4	4	-	4
Gaming House "A"	20	20	-	20
Gaming House "B"	3	3	-	3
Gaming Machines	1762	1727	35	1727
Horse Racing Organiser	1	1	-	1
Operator of Mauritius National Lottery	1	1	-	1
Totalisator Operator	2	2	-	2
• No. Of Outlets	49	50	-	50
Limited Payout Machines Operator	1	1	-	1
Limited Payout Machines	59	67	-	67
Agent of Foreign Pool Promoter	2	2	-	2
Local Pool Promoter	2	2	-	2
Collector	605	-	-	-
Sweepstakes Organiser	3	3	-	3
Dart Games Operator	6	5	1	5
Amusement Machine Operator	38	37	1	37
• No. Of Amusement Machines	715	691	24	691
Promotional Lottery	54	62	-	62

Licence fees

No person shall operate unless he holds a licence and pays the appropriate licence fee as per the third schedule of the GRA Act which is set out in the table below. As per the GRA Act all licence fees collected are remitted into the Consolidated Fund.

Activities	Licence Fee (Rupees)	Period
Category 1 – Casino		
Casino licence	(a) 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
Gaming machine licence	(b) 125,000 per gaming machine, payable in 4 equal instalments, each instalment being payable on or before the first day of every period of 3 months.	12 months
Category 1A		
Hotel Casino	(a) 55,000 for the period 1 July 2018 to 30 June 2021;	12 months
Hotel casino licence	(b) 75,000 thereafter, payable in 4 equal instalments, each instalment being payable on or before the first day of every period of 3 months.	
Hotel casino operator licence (per licenced premise)	(a) 250,000 for the period 1 July 2018 to 30 June 2021; (b) 300,000 thereafter, payable in 4 equal instalments, each instalment being payable on or before the first day of every period of 3 months.	12 months

	1,750,000 in respect of the principal place of business	16 August to 31 December of every year or part thereof
	20,000 in respect of every other place at which facilities are provided	1 January to 15 August of every year or part thereof
	20,000 in respect of every other place at which facilities are provided	16 August to 31 December of every year or part thereof
Totalisator operator licence		
(a)for operating at the racecourse	1,000,000	Yearly or part thereof
(b) for operating outside the racecourse	40,000 in respect of each place of business	Yearly or part thereof
(c) for operating through remote communication at such place outside the racecourse as may be approved by Board	40,000 in respect of the principal place of business	Yearly or part thereof
	40,000 in respect of every other place at which facilities are provided	Yearly or part thereof
(d) for conducting local race inter-totalisator betting	3,500,000	Yearly or part thereof
(e) for conducting foreign race inter-totalisator betting	3,500,000	Yearly or part thereof
(f) in respect of each terminal	40,000	Yearly or part thereof
Horse racing organiser licence	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

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: hrs to 16 hrs		
(f) Ad hoc licence	15,000	Per day
(g) Gaming house licence in respect of gaming house B games	15,000 payable in 4 equal intalments, each instalment being payable on or before the first day of every period of 3 months	12 months
(h) Limited payout machine operator licence	15,000	Yearly or part thereof
(j) Limited payout machine licence	10,000 per machine	Yearly or part thereof
(k) Amusement machine operator licence	15,000 payable in 4 equal instalments, each instalment being payable on or before the first day of every period of 3 months	Yearly or part therof
(l) Amusement machine licence	10,000 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

The following measures have been announced in the Budget Speech 2019-2020 to enhance control on Gambling Activities by amending the GRA Act:

The Gambling Regulatory Act will be amended to –

(a) define 'horse-race' to also include a combination of horse races since foreign pool promoters offer pool betting on combination of horse races;

(b) define 'foreign pool promoter' to make it a statutory requirement for the pool promoter to be duly authorised in the relevant foreign country;

(c) empower the Gambling Regulatory Authority (GRA) to set an age limit for gaming machines in Casinos and Gaming Houses;

(d) cause the setting up of an appeal committee to review the decisions taken by racing stewards from the horse-racing organiser to the GRA in line with good governance practice

(e) require that a horse-racing organiser should seek the approval of the GRA prior to the implementation of its Rules of Racing and for any proposed amendment to these rules. The Directions issued by GRA under Section 100 of the GRA Act will be given statutory force so that the Mauritius Turf Club, in managing the organisation of horse racing has to abide by the Directions;

(f) require the Horse Racing Organiser to simultaneously and freely disseminate to the press and also any sports publication, information on race meetings including fixtures and race cards to ensure fairness in the release of such information;

(g) add to the responsibility of the Horse Racing Organiser the provision for same treatment to all the licensees of the GRA including but not limited to the display of odds and other information to correct any unfair treatment;

(h) repeal sections related to the licensing of bookmakers conducting fixed odds betting on local races outside the racecourse;

(q) authorise the GRA to seek from the Court authorisation to obtain from the telecom operators information regarding phones and phone records in relation to jockeys or horse owners to assist the Authority in its enquiries;

(r) allow a GRA officer or Police des Jeux inspector to place bets during the course of an investigation in order to secure required evidence;

(s) introduce a fine not exceeding Rs 500,000 for non-remittance of unclaimed prizes or other winnings to the National Solidarity Fund by a licensee within the specified time frame;

(t) make every Limited Payout Machine operator to pay monthly a gaming tax equivalent to 10% of its gross takings or Rs 500,000 whichever is higher to be commensurate with the volume of transactions of that operator;

(u) allow a GRA inspector to inspect the premises of any person, other than a licensee, suspected of carrying out a gambling activity

(v) issue adhoc lottery licences for specific approved programmes in order to raise funds to contribute in catering for innovation initiatives, health, sports and physical activities, rehabilitation of natural heritage sites (Patrimoine) and protection of the environment and supporting victims of natural calamities;

(w) amend the Third Schedule to the GRA Act to remove licences for a. fixed odds betting on local races outside the racecourse; and b. Pool Collector Licence and also to provide for payment facilities to Limited Payout Machine licensees as provided to licensees of Gaming House 'B'; and

(x) empower the MRA to request records for taxation purposes.

Some of the main achievements for the period July 2019 to June 2020 were as follows:

- Setting up of an AML/CFT Unit
- Devising AML/CFT guidelines for casinos and gaming houses
- Holding AML/CFT outreach sessions with licensees
- Working in close collaboration with the European Union consultants for the implementation of an AML/CFT framework for the gambling sector
- Contribute to the National Risk Assessment to understand and assess the money laundering and terrorist financing risks faced by Mauritius
- Launching the 1st edition of the Responsible Gambling National Drawing Competition, a contest open to all secondary school students across the country
- Issuing of Personal Management Licences to ensure that only fit and proper persons are employed in the gambling sector

STATEMENT OF COMPLIANCE

Throughout the year ended 30 June 2020, to the best of the Board's knowledge, the Gambling Regulatory Authority has complied with the requirements of the Corporate Governance Code for Mauritius except for Principles as stated below with reasons for non-compliance.

Principles	Reasons for non-compliance
Principle 1 – Corporate Governance Board Charter Code of Ethics	Functions of the Board, Powers of the Board and Meetings of Board is outlined in the GRA Act and pending a customised Board Charter the Board adheres to what is mentioned in the GRA Act. The GRA being a parastatal follows the Code of Ethics for public officers pending application of a customised Code of Ethics.
Principle 2 - The Structure of the Board and its Committees Board Composition	In compliance with section 13 of the GRA Act the Chief Executive of the Authority is in attendance in all Board Meetings. The law does not provide for the Executive Director to be a Member. This is a policy issue.
Principle 3 – Director Appointment Procedures Due Diligence	All the Ex Officio Members are public officers and due diligence is conducted prior to appointment of these Members. As regards to other Members, they are appointed by the Minister after necessary clearances.
Principle 4 – Director Duties, Remuneration and Performance Disclosure of Interests Board Evaluation	Members of the Board are required to disclose to the Board the nature of their interests as soon as practicable after the relevant facts had come to their knowledge and should not be present during any deliberation of the Board or take part in any decision, with respect to that matter. Disclosure of interest is stated in the minutes of Board meetings. The performance of the Board, committees and individual directors are evaluated on the basis of number of Board Meetings held and number of decisions taken and attendance of Members.
Principle 5 – Risk Governance and Internal Control Risk Register	During the year 2020 the Authority was in the process of upgrading its IT infrastructure. Risks were identified with a view to developing mechanisms to mitigate them with the implementation of the said IT infrastructure.
Principle 7 – Audit Internal Audit	The Authority seeks the services of the Internal Control Department of the Ministry of Finance, Economic Planning and Development as and when required.

....
Mr O. K. Dabidin
Chairperson

....
Mr K. Beekharry
Vice- Chairperson

GAMBLING REGULATORY AUTHORITY

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Notes	As at 30 June 2020 Rs	As at 30 June 2019 Rs
ASSETS			
Current assets			
Cash and cash equivalents	11	329,443,332	256,061,164
Inventories		266,728	181,915
Receivables from exchange transactions	10	563,843	667,554
Receivables from non exchange transactions	10	3,824,543	36,849,957
Prepayments	10	2,808,027	52,167
		336,906,474	293,812,757
Non current assets			
Property, plant and equipment	5	5,338,879	4,700,403
Intangible assets	7	208,721	106,989
Receivables from non exchange transactions	10	1,450,595	285,714
Retirement benefits obligations	9	-	338,746
		6,998,195	5,431,852
Total assets		343,904,668	299,244,609
LIABILITIES			
Current liabilities			
Payables under exchange transactions	15	8,121,597	36,492,352
Payables under non exchange transactions	15	405,590	234,745
Employee benefits	12	149,180	331,618
Deposit licence fees		52,653,034	36,653,944
		61,329,401	73,712,659
Non current liabilities			
Payables under non exchange transactions	8	1,450,595	285,714
Employee benefits	12	5,481,744	3,859,641
Retirement benefits obligations	9	2,683,783	-
Refundable guarantee deposits	14	16,464,164	9,542,855
Waiver of licence fees	20	20,000,000	20,000,000
		46,080,286	33,688,210
Total liabilities		107,409,687	107,400,869
Net assets		**236,494,981**	**191,843,740**
NET ASSETS / EQUITY			
Accumulated Fund			
Gambling Regulatory Authority		12,891	225,816
Responsible Gambling & Capacity Building Fund		235,504,090	191,217,924
Revaluation reserve	6	978,000	400,000
Total Net Assets / Equity		**236,494,981**	**191,843,740**

Approved by Board Resolution GRA/BR 90 of 06 September 2024

....
Mr O. K. Dabidin
Chairperson

....
Mr K. Beekharry
Vice-Chairperson

GAMBLING REGULATORY AUTHORITY

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 30 JUNE 2020

	Notes	Revaluation Surplus	Responsible Gambling and Capacity Building fund	General Fund	Total
Balance as at 01 July 2018		400,000	120,212,603	9,564,435	130,177,038
Surplus of revenue over expenditure for year 2019			71,005,321		71,005,321
Net surplus / (deficit) for period				(9,206,648)	(9,206,648)
Carrying amount of vehicle from Lottery Committee				550,000	550,000
Remeasurement loss				(681,971)	(681,971)
Balance as at 30 June 2019		400,000	191,217,924	225,816	191,843,740
Balance as at 01 July 2019		400,000	191,217,924	225,816	191,843,740
Surplus of revenue over expenditure			44,286,166		44,286,166
Net surplus / (deficit) for period				2,824,263	2,824,263
Prior year adjustment (Note Below)				100,000	100,000
Revaluation surplus		578,000			578,000
Remeasurement loss				(3,137,188)	(3,137,188)
Balance as at 30 June 2020		978,000	235,504,090	12,891	236,494,981

Prior year adjustment
Provision of Rs 250,000 payable for Audit Fees was made in financial statements 2018/2019. Based on invoice received audit fees payable was Rs 150,000. Prior year adjustment of Rs 100,000 has, therefore, been presented in the Statement of Changes and Equity.

GAMBLING REGULATORY AUTHORITY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

	As at 30 June 2020	As at 30 June 2019
	Rs	Rs
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus / (Deficit) for year	2,824,263	(9,206,648)
Adjustments for:		
Depreciation and amortization	1,252,220	1,661,163
Remeasurement (loss) / gain	(3,137,188)	(681,970)
Foreign exchange loss	9,350	-
Receipt from licence	359,484,350	448,355,950
Licence fees remitted into Consolidated Fund	(343,783,173)	(439,088,483)
Receipts from MRA	69,771,931	75,675,711
Expenses - RGCBF	(24,606,417)	(4,948,184)
Retirement Benefits Obligations-adjustment	3,022,529	468,834
Increase in provisions relating to employee costs	1,439,665	1,655,991
Prior year adjustment	(100,000)	-
Waiver of licence fees - prior year	(20,000,000)	-
Interest income	(710,766)	(335,642)
OPERATING SURPLUS/DEFICIT BEFORE WORKING CAPITAL CHANGES	45,466,764	73,556,722
(Increase)/ Decrease in inventories	(84,812)	23,911
(Increase)/Decrease in receivables	28,649,462	(30,517,607)
Increase/(Decrease) in payables	(247,547)	51,081,372
Net cash flow from operating activities	**73,783,867**	**94,144,398**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(1,414,428)	(3,313,764)
Interest received	1,022,079	940,966
Net cash flow from investing activities	**(392,349)**	**(2,372,798)**
Net increase in cash and cash equivalents	73,391,518	91,771,600
Cash and cash equivalents at beginning of year	256,061,164	164,289,564
Effects of changes of exchange rate on cash and cash equivalents	(9,350)	-
Cash and cash equivalents at end of year	**329,443,332**	**256,061,164**

Notes to the Cash Flow Statement

(a) Cash and Cash Equivalents

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

	30 June 2020	30 June 2019
Cash at bank	320,537,011	256,057,046
Cash in hand	8,906,321	4,118
	329,443,332	256,061,164

(b) Property, Plant and Equipment

The aggregate cost of acquisition was Rs 1,414,428

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT FOR THE YEAR ENDED 30 JUNE 2020 (CONTINUED)

The budget and the accounting bases differ. The Financial Statements are prepared on the accrual basis using a classification based on the nature of expenses in the Statement of Financial Performance.

A reconciliation of the actual amounts on a comparable basis as presented in the Statement of Comparison of Budget and Actual Amounts with the actual amounts in the Statement of Financial Performance is presented below.

Revenue	
Actual Revenue as per Statement of Comparison of Budgets and Actual Amounts	75,300,000
Opening Government Grant receivable	(30,000,000)
Movement in interest	722,299
Sundry income	54,267
Total Revenue as per Statement of Financial Performance	46,076,566

Expenses	
Actual Expenditure as per Statement of Comparison of Budgets and Actual Amounts	70,597,913
Commitment for the year and other adjustments	3,505,296
Commitment of last year	(31,890,301)
Inventories as at 1 July 2019	181,915
Inventories as at 30 June 2020	(266,728)
Depreciation & Amortisation	1,252,220
Movement in employee benefits	1,439,665
Pension Obligation adjustment	(114,659)
Prepayment as at 01 July 2019	48,667
Prepayment as at 01 July 2020	(96,607)
Other adjustment - loss on foreign exchange transaction	9,350
Additions to PPE and Intangible assets	(1,414,428)
Expenditure as per Statement of Financial Performance	43,252,303

EXPLANATORY NOTES ON DIFFERENCE BETWEEN BUDGET AND ACTUAL AMOUNT (CONT.

(xiv) **Rental of building and parking slots**
Provision was made for hiring of additional parking slots which did not materialise.

(xv) **Equipment and furniture**
Provision was made for purchase of IT equipment and office furniture for new recruits. Recruitment was deferred and consequently equipment and furniture was not purchased.

(xvi) **Office expenses**
Lower expenditure than budgeted is because higher provision was made on expectation that there will be an increase in number of employees. Moreover, closure of offices during confinement period lead to lower office expenses.

(xvii) **Maintenance**
Provision was made for expenses related to partitioning of new offices, however, no partitioning was made.

(xviii) **Cleaning services**
Lower expenditure is because no payment was effected for cleaning services for confinement period.

(xix) **Publications and stationery**
Fewer press notices were placed than budgeted as recruitment was deferred.

(xx) **Court settlement**
A court decision was reached during the year and the Authority was required to effect a court settlement of Rs 30 M. This expenditure was not anticipated at time of preparation of estimates.

(xxi) **Board member fees**
Higher expenditure is mainly because Board approved payment of fees for sub committees in August 2019 which was not anticipated at the time of preparation of estimates.

(xxii) **Audit fees**
Payment of audit fees was deferred.

(xxiii) **Subscriptions**
Provision was made for payment of membership subscription with international gambling regulators, however same was deferred.

(xxiv) **Insurance**
Provision was made for insurance of assets which was deferred due to Covid 19 pandemic.

(xxv) **General expenses**
Higher expenditure is because expenses were incurred in respect of booking of venue for press conference Expenses were also incurred in respect of purchase of face masks and sanitisers in relation to Covid 19. These expenses were not anticipated at time of preparation of estimates.

(xxvi) **Overseas mission expenses**
Overseas mission expenses was not incurred as same was met out of Responsible Gambling and Capacity Building Fund.

(xxvii) **Out of competition laboratory tests**
Lower expenses is because expenses were paid from Responsible Gambling and Capacity Building Fund.

(xxviii) **Legal, consultancy and professional fees**
Lower expenditure is because provision was made for payment of legal fees in respect of court cases and payment of consultancy fees in respect of review of horse racing panel. However, these expenses were deferred.

(xxix) **Capital expenditure**
Fund was earmaked for IT Project but same was deferred due to Covid 19 pandemic.

2 BASIS OF PREPARATION (CONT.)

(iv) Functional and presentation of currency

The financial statements are presented in Mauritian Rupees. Roundings have been done where applicable to the nearest rupee.

(v) Reporting date

The financial statements have been prepared for the financial year July 2019 to June 2020. Comparative figures relate to 01 July 2018 to 30 June 2019.

(vi) Measurement base

The accounting principles recognised as appropriate for the measurement and reporting of the financial performance, cash flows, and financial position on an accrual basis using historical cost are followed in the preparation of the financial statements. The effects of transactions and other events are recognised when they occur and they are recorded in the accounting records and reported in the financial statements of the period to which they relate.

(vii) Prior year adjustment

Provision of Rs 250,000 payable for Audit Fees was made in financial statements 2018/2019. Based on invoice received audit fees payable was Rs 150,000. Prior year adjustment of Rs 100,000 has, therefore, been presented in the Statement of Changes and Equity.

3 IPSAS ISSUED BUT NOT YET EFFECTIVE

IPSAS 3 (Accounting Policies, Changes in Accounting Estimates and Errors) requires disclosure of new IPSAS that have been issued but are not yet effective.

IPSAS - 41 Financial Instruments (Effective date 1 January 2022)

The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and financial liabilities that will present relevant and useful information to uses of financial statements for their assessment of the amounts, timing, and uncertainty of an entity's future cash flows.

IPSAS - 42 Social Benefits (Effective date 1 January 2022)

The objective of IPSAS 42 is to improve the relevance, faithful representiveness and comparability of the information that a reporting entity provides in its financial statements. This standard applies to a transaction that meets the definition of a Social Benefit. Its does not apply to cash transfers that are accounted for in accordance with other standards

4 ACCOUNTING POLICIES (CONT.)

(iv) Cash and Cash Equivalents

Cash and cash equivalents comprise bank balances and cash in hand.

(v) Inventories

Inventories consist of consumables and are stated at the lower of cost (determined on a first-in-first-out basis) and net realisable value. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to the present location and condition. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in selling.

If the recoverable amount of an asset is estimated to be less than its carrying amount, then the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Financial Performance, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

(vi) Financial Instruments

Financial assets and financial liabilities are recognized on the Statement of Financial Position when the GRA becomes a party to the contractual provisions of the financial instruments. Financial instruments are initially measured at cost until such time when the rights to receive cash flows from those assets have expired or have been transferred and the Authority has transferred substantially all the risks and rewards of ownership.

(vii) Trade and other receivables

Trade and other receivables are stated at their nominal value as reduced for estimated irrecoverable amounts.

(viii) Trade and other payables

Trade and other payables are stated at their nominal value.

(ix) Budget information

The Authority prepares its budget on cash basis classified by nature of expenses and covers 12 months period from 01 July 2019 to 30 June 2020.

7 INTANGIBLE ASSETS

	COMPUTER SOFTWARE
	Rs
COST	
At 01 July 2019	820,773
Additions	186,300
At 30 June 2020	**1,007,073**
DEPRECIATION	
At 01 July 2019	713,784
Charge for the year	84,568
At 30 June 2020	**798,352**
CARRYING AMOUNT	
At 30 June 2020	**208,721**
At 01 July 2019	106,989

8 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 30 June 2020 were as follows:

	As at 30 June 2020	As at 30 June 2019
Car loan	1,834,880	428,571

Movement in car loan are as follows:

Balance at 01 July	428,571	571,428
New loans	1,690,000	-
Refund during the year	(283,691)	(142,857)
Balance as at 30 June	1,834,880	**428,571**
Amount shown as current (non-exchange transactions)	384,285	142,857
Amount shown as non-current (non-exchange transactions)	1,450,595	285,714

9 RETIREMENT BENEFIT OBLIGATION (CONT'D)

	As at 30 June 2020	As at 30 June 2019
		Rs
Reconciliation of the present value of defined benefit obligation		
Present value of obligation at start of period	3,274,124	2,064,764
Current service cost	562,132	452,613
Interest cost	127,691	144,533
(Benefits paid)	66,657	(9,902)
Liability (gain)/loss	3,349,969	622,116
Present value of obligation at end of period	**7,380,573**	**3,274,124**
Reconciliation of fair value of plan assets		
Fair value of plan assets at start of period	3612870	2,872,344
Expected return on plan assets	154869	221,331
Employer contributions	428904	390,150
Employee contributions	233948	210,344
Special Contributions	0	-
(Benefits paid + other outgo)	53418	(21,445)
Asset gain/(loss)	212780	(59,854)
Fair value of plan assets at end of period	**4,696,789**	**3,612,870**

Distribution of plan assets at end of period

	JUNE 2020	JUNE 2019
Percentage of assets at end of year		
Fixed Interest securities and cash	61.70%	58.7%
Loans	3.00%	3.4%
Local equities	10.10%	13.1%
Overseas bonds and equities	24.60%	24.2%
Property	0.60%	0.6%
Total	**100%**	**100%**

Additional disclosure on assets issued or used by the reporting entity

	JUNE 2020 (%)	JUNE 2019 (%)
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	**JUNE 2020**	**JUNE 2019**
Currency	**Rs**	**Rs**
Asset experience gain/(loss) during the period	212,780	(59,854)
Liability experience gain/(loss) during the period	(3,349,968)	(622,116)
Surplus/(deficit)	**(3,137,188)**	**(681,970)**

Year	**2020/2021**	**2019/2020**
Expected employer contributions (Estimate to be reviewed by Gambling Regulatory Authority)	442700	**437,232**
Weighted average duration of the defined benefit obligation (Calculated as a % change in PV of liabilities for a 1% change in discount rate)	24 years	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

10 TRADE AND OTHER RECEIVABLES

	As at 30 June 2020	As at 30 June 2019
	Rs	Rs
Exchange Transactions (Current Asset)		
Interest Receivable	11,533	105,894
Court expenses receivables	552,310	561,660
	563,843	**667,554**
Deposit	3,500	3,500
Prepayments - Gambling Regulatory Authority	96,607	48,667
Prepayments - Responsible Gambling and Capacity Building Fund	2,707,920	-
	2,808,027	**52,167**

**Court expenses receivables*

In a judgement given on 12 July 2018 by the Privy Council with respect of court case, there was a decision for the plaintiff to pay the Authority costs of court expenses amounting to GBP 11000. As at 30 June 2020 the amount was not yet paid by the plaintiff. The amount due has been restated based on exchange rate.

	As at 30 June 2020	As at 30 June 2019
Non-Exchange Transactions (Current Asset)		
Car Loan (Notes 8)	384,285	142,857
Government Grant receivable		30,000,000
Responsible Gambling and Capacity Building Fund	3,440,258	6,707,100
	3,824,543	**36,849,957**
Non-Exchange Transactions (Non Current Asset)		
Car Loan (Notes 8)	1,450,595	285,714
	1,450,595	**285,714**

11 CASH AND CASH EQUIVALENTS

	As at 30 June 2020	As at 30 June 2019
	Rs	Rs
Savings A/C	23,046,053	17,565,499
Savings A/C - License	43,753,131	36,653,944
Savings A/C -Deposit	20,091,821	13,170,512
Responsible Gambling and Capacity Building Fund	233,646,006	188,667,091
Cash in Hand	8,906,321	4,118
Total	**329,443,332**	**256,061,164**

The bank balances comprise cash held by the Authority at the Maubank Ltd and the State Bank of Mauritius Ltd.

14 REFUNDABLE GUARANTEE AND SECURITY DEPOSITS

Security Deposit in the form of Bank Guarantee for the sum of Rs 140,540,113/- has been furnished by licensees at 30 June 2020.

Security Deposit from Licencees in the form of Bank Guarantee for the period was as follows:

	As at 30 June 2020	As at 30 June 2019
	Rs	Rs
Opening balance	140,075,065	127,900,045
Receipts during year	50,181,266	43,420,514
Release during year	(54,771,608)	(27,645,494)
Realised during year	-	(3,600,000)
At end of year	**135,484,723**	**140,075,065**

Details of Refundable Deposits included in the accounts are as follows:

	As at 30 June 2020	As at 30 June 2019
	Rs	Rs
Balance at 1 July	9,542,855	9,369,402
Deposit Received	16,847,207	5,060,175
less refund of Deposit	(9,925,898)	(4,886,722)
Balance at 30 June	**16,464,164**	**9,542,855**

15 TRADE AND OTHER PAYABLES

	As at 30 June 2020	As at 30 June 2019
	Rs	Rs
Exchange Transations		
Payables and Accrued Expenses	3,831,503	32,336,085
Payables - Responsible Gambling and Capacity Building Fund	4,290,094	4,156,267
	8,121,597	**36,492,352**
Non Exchange Transactions		
Car loan (note 8)	384,285	142,857
Return to Mauritius Revenue Authority	21,305	91,888
	405,590	**234,745**

16 OPERATING COSTS

	As at 30 June 2020	As at 30 June 2019
	Rs	Rs
Police des Jeux	214,400	401,806
Rent of Building & parking slot	5,836,226	5,795,912
Telephone Charges	628,532	846,742
Electricity Charges	501,358	529,043
Printing and Stationery	382,622	606,102
	7,563,138	**8,179,605**

20 RESPONSIBLE GAMBLING AND CAPACITY BUILDING FUND

The Responsible Gambling and Capacity Building Fund (RGCBF) was set up under the Finance (Miscelleneous Provisions) Act 2016. As per the Finance (Miscelleneous Provisions) Act 2016 the Gambling Regulatory Authority shall set up a Responsible Gambling and Capacity Building Fund:
(a) into which shall be paid the levy raised from licensees; and
(b) out of which shall be paid such sums as the Managing Committee may approve for –
(i) developing and implementing a responsible gambling programme for the public;
(ii) identifying and addressing the ills associated with the gambling industry;
(iii) capacity building at the Authority;
(iv) ensuring integrity and best practices in the gambling industry;
(v) any other purpose as the Board may determine.

As per the Finance (Miscelleneous Provisions) Act 2016:
1. The Responsible Gambling and Capacity Building Fund shall be administered by a Managing Committee which shall consist of a chairperson and not more than 4 other persons, to be appointed by the Board after consultation with the Minister.
2. The Managing Committee shall hold its meetings at such time and place as the Chairperson may determine.
3. The Managing Committee shall regulate its meetings and proceedings in such manner as it may determine.
4. Notwithstanding subsections (2) and (3), the Managing Committee shall, where required by the Minister or Board –
(a) furnish information in respect of its activities; and
(b) comply with such directions of a general character as the Minister or Board considers necessary in the public interest.

The day to day tasks of the RGCBF are managed by employees of the Gambling Regulatory Authority situated at the 12 floor, Newton Tower, Sir William Newton Street, Port Louis.

The Mauritius Revenue Authority collects levy from licensees and remit same to the Responsible Gambling and Capacity Building Fund. The Mauritius Revenue Authority started to remit levy collected as from October 2016.
Cash flows related to the fund are included in this financial statements.

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

21 Court Settlement (Waiver of licence fees)

The licence of one Gaming House namely, Funworld Co Ltd, was revoked on 19th August 2010. Subsequently, Funworld Ltd lodged a Court Case against the State of Mauritius & Others including the GRA. In a Judgement given on 06 March 2020 the parties agreed that the matter be settled for the sum of Rs 50 million made up as follows:

(a) Rs 30 million as cash compensation; and

(b) Rs 20 million in terms of 2 Gaming House A licences for 100 coin-operated gaming machines, to operate 2 new outlets. Under the terms of settlement it was agreed that in respect of the outlets licence fees will be waived as aforesaid for a period of one year.

22 Receipts of Licence Fees and Remittance Into Consolidated Fund

Amount collected as Licence Fees during financial year 2019/2020 amounted to Rs 359,173,037 as detailed below.

Licence Type	Amount (Rs)
Agent of a Foreign Pool Promoter	30,000
Amusement Machine	5,643,952
Amusement Machine Operator	511,900
Bookmaker On Course	30,000,000
Bookmaker - Remote Communications (SMS)	4,480,000
Bookmaker - Remote Communications (Telephone)	9,000,000
Casino	11,164,041
Collector	9,310
Dart Games Operator	202,500
Bookmaker Football	24,863,171
Gaming House "A"	60,775,343
Gaming House "B"	41,250
Gaming Machines - Casino	32,440,068
Gaming Machines - Gaming House "A"	151,278,004
Horse Racing Organiser	769,178
Limited Payout Machine Operator	15,000
Local Pool Promoter	30,000
Limited Payout Machines	690,000
Lottery	945,000
Operator of Mauritius National Lottery	5,000,000
Penalty	39,320
Sweepstake Organiser	45,000
Totalisator	21,200,000
Total	**359,173,037**

An amount of Rs 343,783,173 was remitted into the Consolidated Fund
Licence fees are accounted in the Cash Flow Statement.

25 LEASE

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

	As at 30 June 2020 Rs	As at 30 June 2019 Rs
Minimum lease payments under operating lease recognised	5,836,226	5,795,912
At Statement of Financial Position date, the Authority has outstanding commitments under non-cancellable operating leases, which fall due as follows:-		
- within one year	5,873,487	5,795,912
Later than one year and not more than three years	10,278,602	4,816,940
Total Operating Lease Obligations	**16,152,089**	**10,612,852**

Operating lease payments represent rentals payable by the GRA for leasehold of office space and parking slots with effect from 1st April 2017 under renewable agreement for a period of three years. One additional parking slot was leased during the financial year.

26 RELATED PARTY TRANSACTION

The Authority regards the Government of Mauritius as its controlling party. Related party transactions for the Authority during period July 2019 to June 2020 are as follows:

i. Government grant received amounted to Rs 75.3 M out of which an amount of Rs 30 M was accounted as Government grant receivable in 2018/2019.

ii. Fees paid to Board members Rs 3.4 M.

iii. Employees of the Authority which include key administrative personnel namely the Chief Executive, Administrative and Human Resource Manager, Information Systems Officer and the Accountant. Remuneration paid to these key personnel amounted to Rs 5.04 M.

iv. Eligible employees are granted duty free facilities and/or loans for the purchase of car as prescribed in the Pay Research Bureau Report. The details, amount granted and balances under these loans are given at note 8 in the financial statements. There are no other loans to key management personnel or to other categories of staff.

v. Licence fees collected are remitted into the Consolidated Fund and for the year under review an amount of Rs 343.7 M was remitted into the Consolidated Fund.

vi. The Mauritius Revenue Authority (MRA) under the GRA Act levied gambling taxes. An amount of Rs 69.7 M was remitted to the Responsible Gambling and Capacity Building Fund by the MRA.

vii. The Authority issued licences for operator and gaming machines to four casinos owed by the State Investment Corporation Limited against payment of Rs 11.1 M as operator licence fees and Rs 32.4 M as gaming machines licence.

viii. The National Solidarity Fund under the GRA Act is in receipt of unclaimed prizes. As per GRA Act any winning which has not been claimed by a punter shall be paid into the National Solidarity Fund. The National Solidarity Fund collected an amount of Rs 79.9 M for unclaimed prizes for the period July 2019 to June 2020.

ix. The Authority is assisted in its enforcement and surveillance mandate by the Police Des Jeux, a unit under the purview of the Police Department. For the year ended 30 June 2020, 14 Officers were posted in the Police des Jeux Unit and salaries paid by the Government to these officers amounted to around Rs 5.1 M. Allowances amounting to Rs 214,400 was paid by the Authority to the Police Des Jeux.

x. As per Appendix A - Revenue of the National Budget of financial year 2021/2022 taxes relating to gambling for financial year 2019/2020 amounted to Rs 1.7 billion.