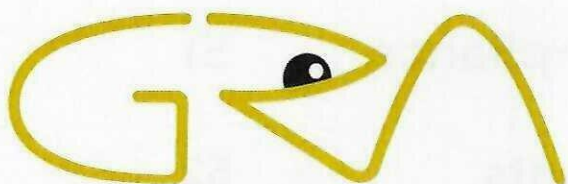




ANNUAL REPORT 2022-2023



GAMBLING REGULATORY AUTHORITY

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ROLE AND OBJECTS

Our Role

The Gambling Regulatory Authority (GRA) was set up under the Gambling Regulatory Act (GRA) 2007 and is a corporate body which operates under the aegis of the Ministry of Finance, Economic Planning and Development. The Authority is administered and managed by the Gambling Regulatory 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

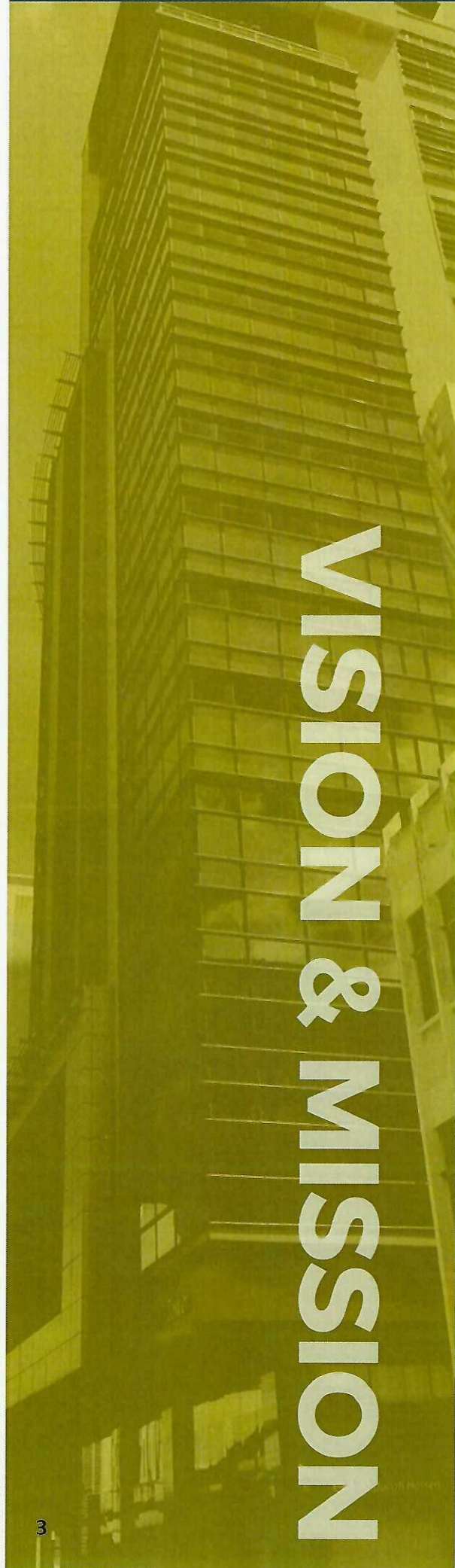
which is credited to the consolidated fund and funds are thereafter made available to the Authority for meeting its operational expenses. The GRA as a regulatory body equally ensures compliance to the GRA Act and conditions to Licences as well as conducts investigations and enforces sanctions for offences committed by licensees.



Our Objects

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.



VISION & MISSION

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.

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:

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

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.

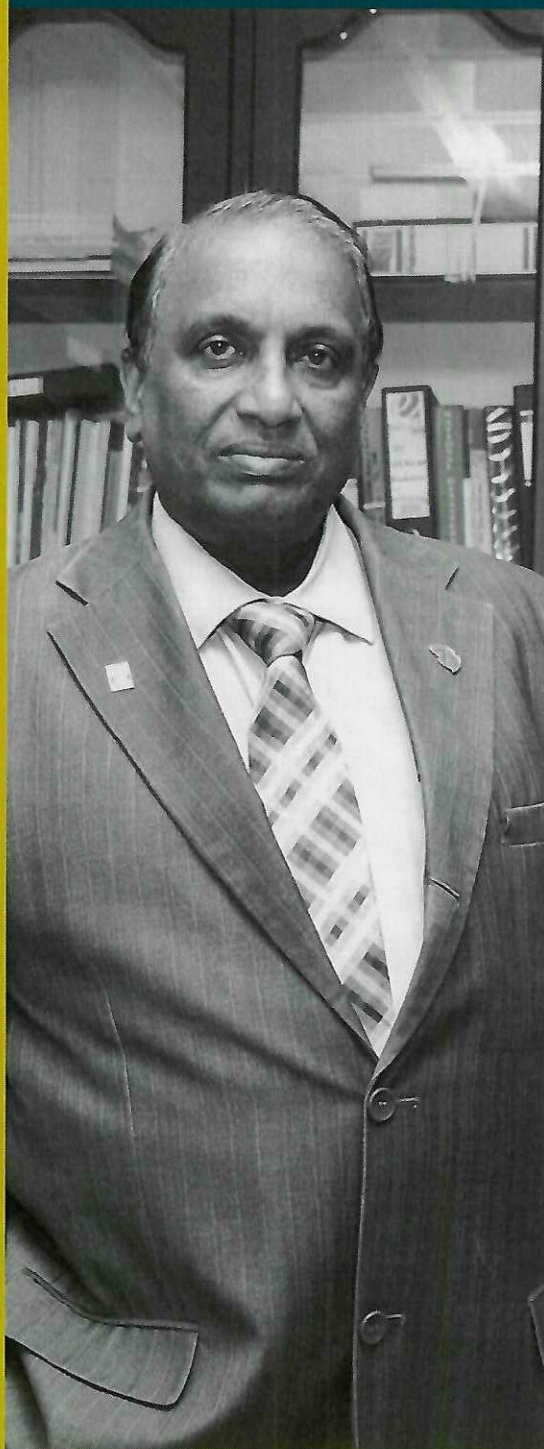
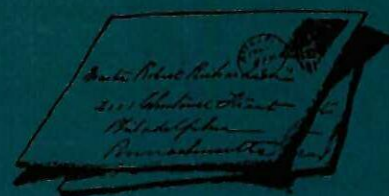
STRATEGIC OBJECTIVES

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.

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 &
STRATEGIC OBJECTIVES

MESSAGE FROM THE CHAIRPERSON



As the Chairperson of the Gambling Regulatory Authority, I have had the privilege, during the past couple of years, to be at the forefront of and have been witnessing exponential improvements in its overall activities and performance.

Since the emergence of the Covid-19 pandemic, the Authority has observed a recrudescence of interest for holding lottery activities online. Likewise, numerous illegal lotteries have been detected on social platforms such as Tik Tok and Facebook. To ascertain that such prohibited activities are curtailed, new provisions were made in the Finance (Miscellaneous Provisions) Act 2022 to broaden the term “lottery” for it to include promotional lottery activities held through the Internet, including social media and messaging platforms.

On another note, several amendments were made to the Finance (Miscellaneous Provisions) Act 2022 with regard to horse racing. As a matter of fact, the responsibilities of the Horse Racing Committee were extended to include the procurement of laboratory services for the testing of equine blood, urine and other samples. Similarly, the law was amended to make it a prerequisite for a horse racing organiser to assist the Horse Racing Division in out-of-competition, pre-race and post-race sampling, as well as testing of horses. These changes demonstrate the Authority’s willingness to reinforce its anti-doping framework.

Additionally, in an attempt to engage stakeholders as well as members of the public, we have launched the GRA Newsletter in April 2023. This project, primarily aims to inform, educate and create greater awareness about the Authority’s purpose and initiatives. The first edition of the newsletter also lays emphasis on major

"The first edition of the GRA Newsletter [...] dispels gambling myths by providing clear and simple definitions which can be understood even by those who are not familiar with the gambling industry."

amendments made to the GRA Act, and factually goes through the meanings and implications behind those changes. It further dispels gambling myths by providing clear and simple definitions which can be understood even by those who are not familiar with the gambling industry. Issuing such a publication on a continuous and regular basis will enable us to bridge the gap between the Authority and its stakeholders.

As far as responsible gambling is concerned, I am glad to announce that the helpline dedicated to problem gamblers, which was launched in 2018 to be undertaken by a third party, is henceforth being accommodated in-house. Relevant decisions were taken at the level of the Board for the manning of the helpline and to offer first level support to problem gamblers on a 24/7 basis. Furthermore, needful is currently being done to transform the existing support system into a full-fledged one comprising free of charge psychological treatment and follow-up sessions to problem gamblers, their family members and peers.

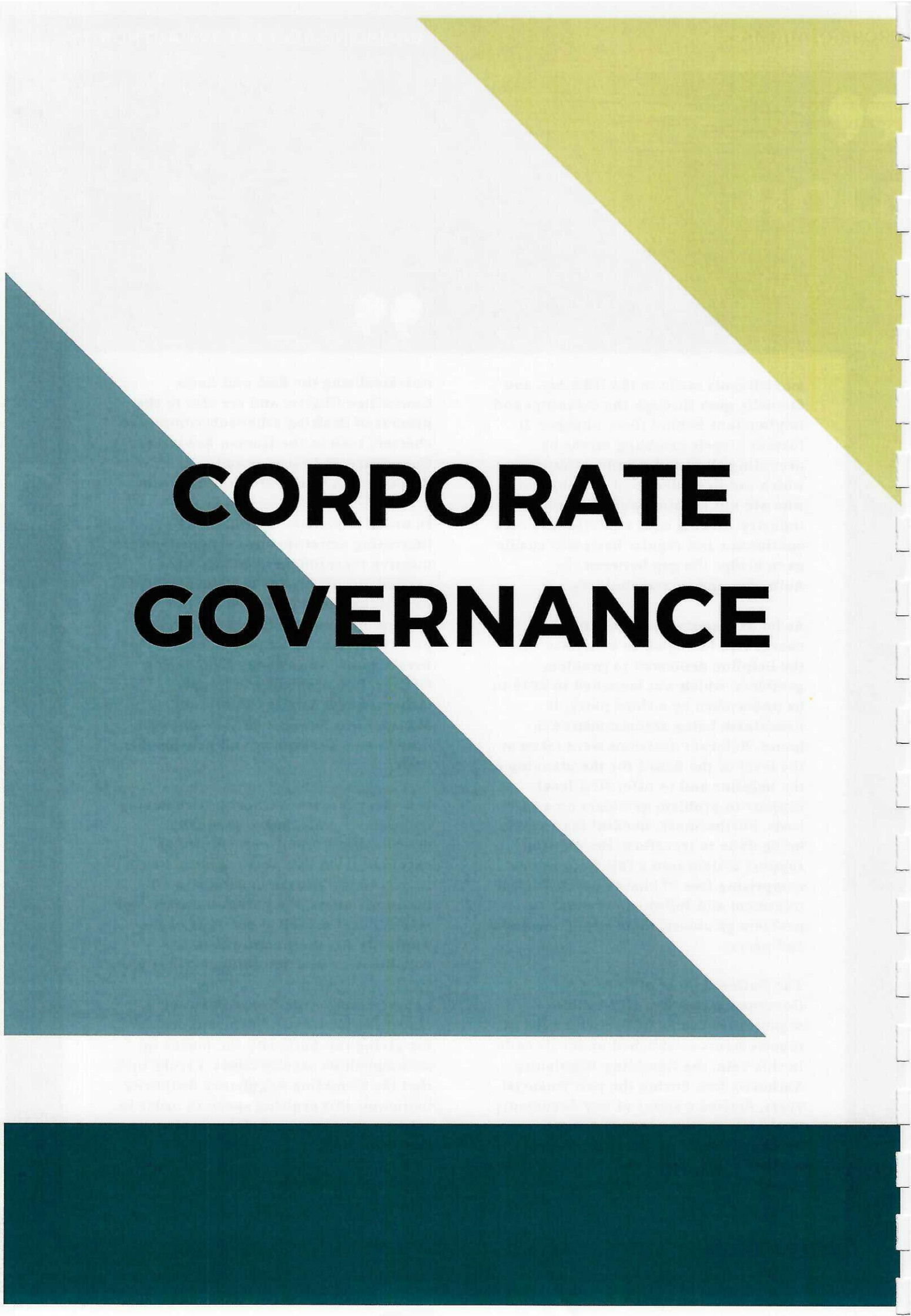
The National Code of Corporate Governance requires all credible organisations to be in line with a list of requirements established under its code. In this vein, the Gambling Regulatory Authority has, during the past financial years, drafted a series of key documents to align with those requirements. Subsequently, it has produced a new Code of Ethics and Conduct, along with a Board and Committee Charters. We are

now finalising the Risk and Audit Committee Charter and are also in the process of drafting other sub-committee charters such as the Human Resource Committee and Finance and Procurement Committee amongst others.

In order to palliate the Authority's increasing activities and responsibilities, massive recruitment exercises were carried out during the last financial year. Interviews were conducted for the appointment of additional staff in the posts of Gambling Regulator and Investigator, Anti-Money Laundering Officer, Procurement and Supply Officer, Legal Affairs Officer and Management Support Officer amongst others, on a permanent and pensionable basis.

It is clear that the Authority is achieving its targeted goals, hence gradually establishing a brand-new culture of excellence. On this positive note, I wish to extend my sincere gratitude to all Board members, the parent ministry, our stakeholders as well as the staff of the Authority for their continuous collaboration and commitment. Lastly, I would also like to reiterate my appreciation to the Government of Mauritius for its sustained support and for giving the Authority the means to accomplish its set objectives. I truly wish that the Gambling Regulatory Authority maintains this cruising speed in order to achieve even greater heights in the coming future.

Om Kumar Dabidin
Chairperson

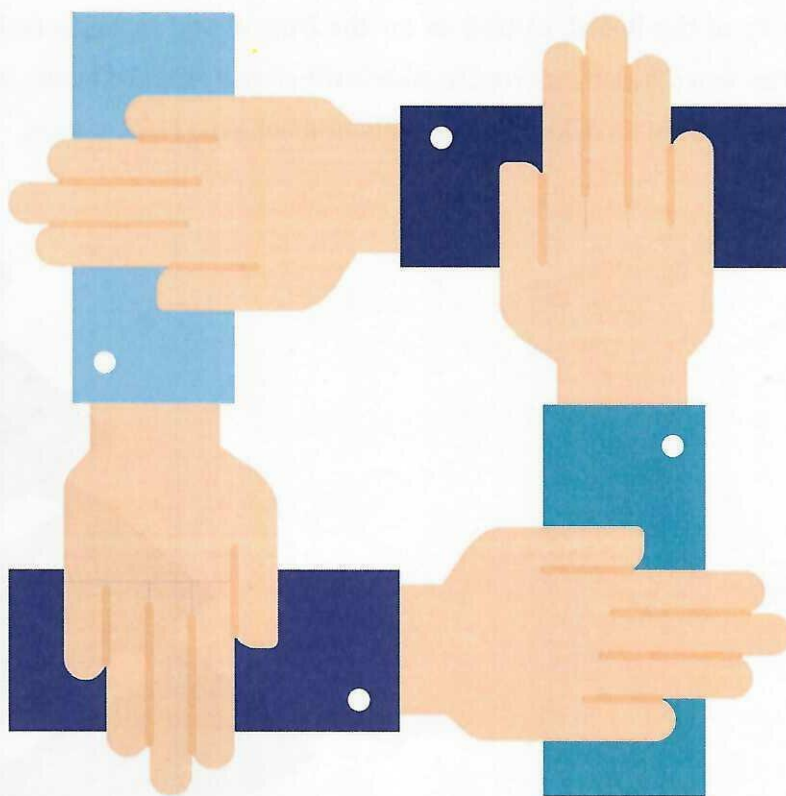


CORPORATE GOVERNANCE

Introduction

The Gambling Regulatory Authority is a body corporate established under the Gambling Regulatory Authority Act 2007 (The “Act”) and it operates under the aegis of the Ministry of Finance, Economic Planning and Development.

The Authority recognizes good corporate governance practices as a prerequisite for good performance within the organization. The corporate governance structures put in place are in accordance with the National Code of Corporate Governance. This section thus highlights the main corporate governance structures of the GRA as per the eight principles set out in the NCCG 2016. An in-depth view of the functions and purposes of the GRA Board, Board Committees, Risk Management and Internal Audit, Auditing and Accounting Principles and Integrated Sustainability Reporting, are set out hereunder.



Principle 1 – Governance Structure

The 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 Gambling Regulatory Authority Board meets regularly to convey decisions or take cognisance of matters which require its attention. Updates are provided by the Chief Executive on the day-to-day running of the Authority.

COMPOSITION OF THE BOARD

For the period of 01 July 2022 to 30 June 2023, the Board was reconstituted as follows:

Name	Title	Date of Appointment
Mr O. K. Dabidin	Chairperson	14 Jan 2022
Mr K. Beekharry	Vice Chairperson	14 Jan 2022
Mr M.S.M.R.P Seetaram	Member – Representative of the Attorney General's Office	14 Jan 2022
Mr G. P. Bussier	Member – Representative of the Ministry of Finance, Economic Planning and Development	14 Jan 2022
Mr M. Bheekhee		01 Aug 2022
Ms G. Callychurn	Member – Representative of the Ministry of Tourism	14 Jan 2022
Ms K. Kautick	Member – Representative of the Prime Minister's Office	14 Jan 2022
Mrs S. D. Domun		20 Apr 2023
Mr K. Jhugroo	Member – Representative of the Commissioner of Police	14 Jan 2022
Mr C. Ujoodhia	Member	14 Jan 2022
Mr S. Khuntoo	Member	14 Jan 2022
Mr K. Molaye	Member	14 Jan 2022

PROFILES OF BOARD MEMBERS



Mr Om Kumar DABIDIN
Chairperson

Mr Om Kumar Dabidin, who was the Secretary for Home Affairs at the Prime Minister's Office (Defence & Home Affairs Division) until December 2023, 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 who has retired from the public service, is a Board member of the following statutory bodies:

- (i) Business Regulatory Council; and
- (ii) Jet Prime Ltd.

He is also serving, amongst others, as an Executive Member of the Mauritius Family Planning Welfare Association since 2022 and he is the Chairperson of its Infrastructure Committee. He is now the Chief Operations Officer of the National Housing Development Company Ltd.

Mr O. K. Dabidin began his career as a teacher in 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 four decades across a wide range of Ministries such as:

- (i) Agriculture & Food Technology and Natural Resources, Environment;
- (ii) Civil Service & Administrative Reforms;
- (iii) Youth & Sports;
- (iv) Finance & Economic Development; and
- (v) 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 with a view to bringing about, throughout government institutions, a more effective and efficient service delivery including improvements 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 diligently towards the realization of the objectives of the Authority in light of prevailing legislations and in line with the policy directions set out by Government for the Gambling and Betting Industry.



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 and Metro Express Limited. 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 and as Vice Chairperson in January 2022.

Mr Kreedeo (Dev) BEEKHARRY
Vice Chairperson

Mr M.S.M.R.P. SEETARAM
Board Member

Mr Moun M.S.M.R.P. Seetaram, has started his career as Temporary State Counsel at the Attorney-General's Office on 1st October 2003. He now occupies the post of Ag. Senior Assistant Parliamentary Counsel. He read law at the University of Buckingham (UK) and has a Bachelor of Laws, LLB (Hons), University of Buckingham (2001) (UK). He has a Post Graduate Diploma in Bar Vocational Studies (Bar) University of Wales, Cardiff (2001) (UK) and later on, he did his Masters of Laws in Medical Law, LLM, University of Northumbria (Newcastle, UK). Mr Seetaram, has 20 years' experience as a barrister. He delivered several courses to Police Prosecutors and Government officers in the field of Criminal Law, Law of Evidence and other legal subjects, and in Legislative Drafting. For the past 10 years, he has, on a yearly basis, delivered Legislative Drafting courses to public officials. For the last 15 years, he has been involved in the drafting of the Laws of Mauritius, including regulations.



Mr Mahensingh BHEEKHEE
Board Member

Mr M. Bheekhee is currently Director (Economic & Finance) 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 28 years. He holds a Bsc (Hons) in Economics from the University of Mauritius and a Master in Financial Economics from the University of London.

Ms Gyaneswaree CALLYCHURN
Board Member

Ms G. Callychurn was appointed Board Member of the Gambling Regulatory Authority in May 2021. She is the holder of a Master's Degree in Business Administration from the University of Birmingham and is currently Deputy Permanent Secretary at the Ministry of Tourism. She is also a Board Member of the Mauritius Shipping Corporation Ltd. She joined the Civil Service as Assistant Secretary at the Prime Minister's Office in November 1997 and has since occupied senior positions across a range of Ministries and Departments: Education, Agro-Industry, Social Security and the National Human Rights Commission, amongst others.

Mrs S. D. Domun
Board Member

Mrs S. Domun holds a BSc (Hons) Public Administration & Management and an MBA Project Management. She has a long experience in the Civil Service and is actually posted as Acting Deputy Permanent Secretary at the Prime Minister's Office (Cabinet Office).



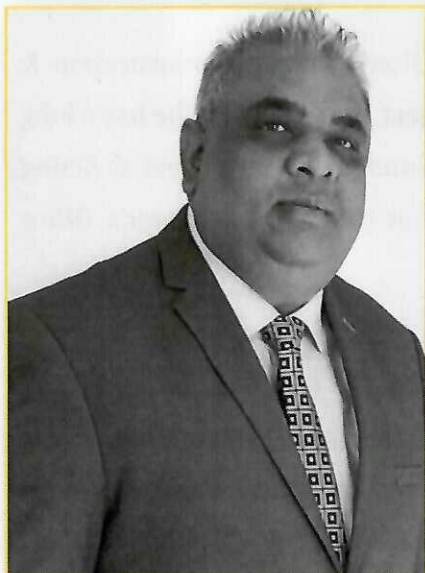
Mr K. Jhugroo was appointed to the Board in March 2015. He is presently Deputy Commissioner of Police and has served several years in the Police Force.

Mr Krishna JHUGROO
Board Member



Mr C. Ujoodhia was appointed to the Board in March 2015. He holds a B Com (Hons) from Delhi University, year 1997, and Post Graduate Certificate in Education from Mauritius Institute of Education, year 2003. He is currently the Acting Rector in a Private Secondary College and is in the teaching sector for nearly 26 years. He was formerly the Marketing Executive of a textile firm.

Mr Chandrashekar UJOODHIA
Board Member



Mr Shiv KHUNTOO

Board Member

Mr Shiv Khuntoo was the Municipal Councillor for the Town Council of Beau-Bassin Rose-Hill from 2001 to 2006. He was, during this period, Deputy Mayor of the said town. Mr Khuntoo was formerly employed in the administrative section of the Om Sai Medical Center at Earl's Court, London, from 2006 to 2009. Upon his return to Mauritius, he took up new responsibilities as Sales Representative then Insurance Advisor. He is a social work enthusiast and is actively involved in social activities within his locality. He is also Board member at the Waste Water Management Authority.



Mr Krishna MOLAYE

Board Member

Mr Krishna Molaye was appointed to the Board in January 2022. He graduated in the field of Computer & Software Engineering from Informatics Academy of Singapore & University of Cambridge. This IT professional, with over 21 years of working experience in the private sector, is currently the Managing Director of INFOGIL LTEE and was appointed to take over the company's directorship in 2007 as Managing Partner. He started his career in 2001 as an Assistant Analyst Programmer with MedPro Ltd. He then worked for several conglomerates, namely IBL group and CJIT from 2002 to 2006, where he held various positions. He later took office as Senior Consultant at eBS Consulting Ltd in 2006, prior to joining INFOGIL LTEE. During his career, his involvement as project leader for successfully implementing IT projects were notable at Emtel, SBM, MCB, TNT International, Ceridien, Sun Resorts, MMA, SPMPC, Angsana Balaclava, Anahita, Azuri amongst others. He has also chaired several committees, from Interview Panels to Disaster Recovery.

SUBCOMMITTEES

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 C. Ujoodhia - Chairperson
- Mr G. P. Bussier - Member (14 January to 31 July 2022)
- Mr N. Armoogum - Alternate Member
- Mr M. Bheekhee - Member (as from 01 August 2022, in replacement of Mr G. P. Bussier)
- Ms K. Kautick - Member

The GRA Finance and Procurement Committee held six meetings for the reporting period. The attendance details and allowances are summarised below:

Member	Attendance for the Finance and Procurement Committee Meetings	Allowance (Rs)
Mr C. Ujoodhia	6/6	50,000
Mr G. P. Bussier ¹	2/6	7,000
Mr M. Bheekhee	4/6	28,000
Ms K. Kautick	5/5	28,000

¹ Mr N. Armoogum, Lead Analyst, attended 2 Meetings as alternate to Mr G. P. Bussier.

The Human Resource Committee

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 K. Beekharry - Chairperson
- Mr C. Ujoodhia - Member
- Mr G. P. Bussier - Member
- Mr M. Bheekhee – Member (as from 01 August 2022, in replacement of Mr G. P. Bussier)
- Mrs R. Ruchchan – Ad Hoc Member

The Human Resource Committee was reconstituted on 26 May 2023 as follows:

- Mr K. Beekharry, Independent Member - Chairperson
- Mr C. Ujoodhia, Independent Member - Member
- Mr M. Bheekhee, Representative of MOFED - Member
- Ms G. Callychurn, Representative of Ministry of Tourism - Member
- Mrs R. Ruchchan, Manager of Human Resources, MOFED - Ad-hoc Member

Human Resource Committee attendance details and allowances for the reporting period is summarised below:

Member	Attendance for the Human Resource Committee Meetings	Allowance (Rs)
Mr K. Beekharry	2/2	20,000
Mr G. P. Bussier	1/2	7,000
Mr M. Bheekhee	1/2	7,000
Mr C. Ujoodhia	2/2	14,000
Mrs R. Ruchchan	2/2	14,000

The Audit and Risk Committee

According to the “Code of Good Governance”:

“The Board should be responsible for risk governance and should ensure that the organisation develops and executes a comprehensive and robust system of risk management. The Board should ensure the maintenance of a sound internal control system.”

Further to a special Board Meeting held on 22 May 2015, decision was taken for the composition of Board Committee, which included the Risk Committee.

The Terms of Reference of the Risk Committee are as follow:

- (a) Advise the Board on the risk strategies through identification, evaluation and recommending appropriate measures;
- (b) Recommend and monitor implementation of the risk management framework of Authority; and
- (c) Deal with any risk issues that the Board may refer to or paper prepared by the Management.

For the reporting period, the Audit and Risk Committee was constituted as follows:

- Mr K. Beekharry - Chairperson
- Mr M. Bheekhee - Member
- Ms K. Kautick - Member
- Mr K. Jhugroo - Member

The Audit and Risk Committee was reconstituted on 26 May 2023 as follows:

- Mr C. Ujoodhia, Independent Member - Chairperson
- Mrs S. D. Domun, Representative of PMO - Member
- Mr K. Jhugroo, Representative of CP Office - Member
- Mr K. Beekharry, Independent Member – Member

The Audit and Risk Committee attendance details and allowances for the reporting period are summarised below:

Member	Attendance for the Audit and Risk Committee Meetings	Allowance (Rs)
Mr K. Beekharri	2/2	20,000
Mr M. Bheekhee	2/2	14,000
Ms K. Kautick	1/2	7,000
Mr K. Jhugroo	2/2	14,000

The Managing Committee for the Responsible Gambling and Capacity Building Fund

Section 11A of the Gambling Regulatory Authority Act provides that the Gambling Regulatory Authority shall set up a Responsible Gambling and Capacity Building Fund. Same is to be administered by a Managing Committee comprising a Chairperson and not more than 4 other persons, to be appointed by the Board after consultation with the Minister. The terms of reference of the Responsible Gambling and Capacity building Fund are:

- (a) To develop and implement a responsible gambling programme for the public;
 - (b) To identify and address the ills associated with the gambling industry;
 - (c) For capacity building at the Authority;
 - (d) To ensure integrity and best practices in the gambling industry; and
- any other purpose as the Board may determine.

For the period of July 2022 June 2023, the Managing Committee was constituted as follows:

- Mr M. Bheekhee - Acting Chairperson (resigned on 01 August 2022)
- Mr N. Soopramanien - Member

Allowances paid to Management Committee Members for reporting period are as follows:

Member	Allowance (Rs)
Mr M. Bheekhee	12,000
Mr N. Soopramanien	120,000

The Horse Racing Committee

The Horse Racing Division (HRD) is administered and managed by the Horse Racing Committee whose terms of reference is to:

- Ensure that a horse racing organiser effectively discharges its responsibilities regarding the organisation of horse racing in all its aspects, including safety, comfort and standards of hygiene, security, discipline and the prevention of fraud,
- Initiate, develop and implement strategies conducive to the development of horse racing and the protection of the public in relation to risks inherent to horse racing,
- Coordinate with the *Police des Jeux* for the prevention of illegal acts in connection with horse racing,
- Be responsible for horse race planning, including the preparation and publication of the horse race calendar, fixture lists, nominations and race cards,
- Conduct disciplinary proceedings that may arise in relation to the conduct of horse racing,
- Issue Personal Management Licences under Section 93B,
- Approve and licence equestrian centres and workout programmes,
- Approve the importation of racehorses,
- Set and enforce standards for race courses,
- Issue and enforce the Rules of Racing, other rules and guidelines and directions,
- Set up panels of Racing Stewards,
- Register Stables and Owners,
- Register Trainers, Jockeys, Riders and other horse racing professionals,
- Employ and issue directions to race course officials,
 - a) Issue Rules, Directions and Guidelines to any horse racing organiser to –
Provide for veterinary services,
 - b) Ensure the safety and security of race horses,
 - c) Ensure anti-doping measures, and
 - d) Procure laboratory services for testing of equine blood, urine and other samples,
- Licence Equine Veterinarians,
- Advise the Minister on any matter relating to the organisation of horse racing,
- Undertake such other functions as may be prescribed.

For the reporting period, the Horse Racing Committee was constituted as follows:

1) From July 2022 to December 2022:

- Mr Wayne Wood – Chairperson (*Head of HRD*)
- Mr Krishnakantsing Auchoybur – Vice – Chairperson (*Integrity Officer*)
- Dr Dewan Sibartie – Member (*Veterinarian*)
- Mr Mahendher Telugu Subramaniam – Member (*Operations Officer*)
- Mr Kaviraj Gooljar – Member (*Accountant*)
- Mr Nevin Seengh – Member (*Legal Officer*)
- Mr Jean Hugues Lewis Laval Olivier – Member (*Communication and Media Officer*)

2) As from January 2023:

- Mr Krishnakantsing Auchoybur – Chairperson (*Head of HRD*)
- Mr Neeraj Gopaul – Vice-Chairperson (*Integrity Officer*)
- Dr Dewan Sibartie – Member (*Veterinarian*)
- Mr Mahendher Telugu Subramaniam – Member (*Operations Officer*)
- Mr Kaviraj Gooljar – Member (*Accountant*)
- Mr Nevin Seengh – Member (*Legal Officer*)
- Mr Jean Hugues Lewis Laval Olivier – Member (*Communication and Media Officer*)
- Mr Deanthan Moodley – Member (*Racing Executive and Chairperson of the Stipendiary Stewards*)
- Mr Oopmanew Chumun – Member (*Administrative and HR Manager*)

Allowances paid to Members of the Horse Racing Committee for the period under review is as follows:

Members	Attendance for the Horse Racing Committee Meetings	Allowance (Rs)
Mr. Wayne Wood	6/7	150,000
Mr. Krishnakantsing Auchoybur	19/19	243,864
Dr Dewan Sibartie	14/19	120,000
Mr. Mahendher Telugu Subramaniyam	17/19	120,000
Mr. Kaviraj Gooljar	19/19	120,000
Mr. Nevin Seengh	18/19	120,000
Mr. Jean Hugues Lewis Laval Olivier	18/19	120,000
Mr Neeraj Gopaul	8/12	95,808
Mr Deanthan Moodley	12/12	63,871
Mr Oopmanew Chumun	12/12	63,876

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 and Remuneration

In order to effectively discharge its duties, the Board meets regularly. Special or additional meetings may also be convened as and when required. All members are expected to attend meetings unless exceptional circumstances prevent them from doing so. The relevant documentations are circulated to all members by the Board Secretary prior to each meeting.

Attendance of the Board

For the reporting period, the Board of the Gambling Regulatory Authority met on thirteen occasions as summarised below:

Name	Title	Appointment Date	Board Meetings Attended	Special Board Meetings Attended
Mr O. K. Dabidin	Chairperson	14 January 2022	13/13	-
Mr K. Beekharry	Vice - Chairperson	14 January 2022	12/13	-
Mr M.S.M.R.P. Seetaram	Member - Representative of the Attorney General's Office	14 January 2022	11/13	-
Mr G. Bussier ¹	Member - Representative of the Ministry of Finance, Economic Planning and Development	14 January 2022	1/13	-
Mr M. Bheekhee		01 August 2022	9/13	-
Ms G. Callychurn	Member - Representative of the Ministry of Tourism	14 January 2022	7/13	-
Ms K. Kautick	Member - Representative of the Prime Minister's Office	14 January 2022	7/13	-
Mrs S. D. Domun		20 April 2023	1/13	-
Mr K. Jhugroo	Member - Representative of the Commissioner of Police	14 January 2022	13/13	-
Mr C. Ujoodhia	Member	14 January 2022	11/13	-
Mr S. Khuntoo	Member	14 January 2022	8/13	-
Mr K. Molaye	Member	14 January 2022	13/13	-

¹ Mr N. Armoogum, Lead Analyst, attended 1 Board Meeting as alternate to Mr G. P. Bussier.

Board Fees

Fees drawn by each Board Member for the period of July 2022 to June 2023 are as follows:

Name (Title)	Amount (Rs)
Mr O. K. Dabidin (Chairperson)	750,000
Mr K. Beekharry (Vice Chairperson/ Member)	420,000
Mr M.S.M.R.P. Seetaram (Member)	300,000
Mr G. P. Bussier (Member)	25,000
Mr M. Bheekhee (Member)	275,000
Ms G. Callychurn (Member)	300,000
Ms K. Kautick (Member)	233,333
Mrs S. D. Domun (Member)	66,667
Mr K. Jhugroo (Member)	300,000
Mr C. Ujoodhia (Member)	300,000
Mr S. Khuntoo (Member)	300,000
Mr K. Molaye (Member)	300,000

Principle 5 – Risk Governance and Internal Control

RISK MANAGEMENT

The Authority recognises that sustained effort is required 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.

Reputational Risk

Board members, the Chief Executive and employees of the Gambling Regulatory Authority are ambassadors who are to uphold its reputation and credibility. Given that the gambling sector is considered as a high-risk industry, mostly in terms of money laundering, internal stakeholders are expected to demonstrate high levels of integrity in and outside the course of their duties. Otherwise, involvement in corruptive practices, unrighteous acts or other unethical behaviours will inevitably have repercussions on the Authority's image. A Code of Conduct has thus been devised in an attempt to safeguard the reputation of the Authority.

Financial Risk

As a public sector entity, the Gambling Regulatory Authority's financial risks are relatively low. As such, exposure to credit, liquidity, foreign currency exchange and interest rate risks are negligible.

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

POLICIES AND PRACTICES REGARDING ETHICAL, HEALTH, SOCIAL AND ENVIRONMENTAL ISSUES

Ethics

Board members, the Chief Executive and staff of the Gambling Regulatory Authority are bound to carry out their duties with utmost fairness, professionalism and integrity. The following measures are in place at the Authority to this end:

- The Authority subscribes to the principle of ethical behavior in the day-to-day affairs. In this context, all employees have been instructed to adhere to its Code of Conduct. This is essential to enable the Authority to earn respect from its stakeholders.
- The Affairs of the Authority are conducted in a transparent manner. However, the staff is also bound by an oath to secrecy to remind them that disclosure of confidential information for gratification or other interests is highly condemnable.
- All new employees have to submit a declaration of assets in an appropriate form upon recruitment. Existing members and staff should, on the other hand, update theirs every three years. Additionally, same should be updated upon expiry or termination of employment on any basis.

- The Act establishes that every member of the Gambling Regulatory Authority should disclose any interest he or she may have in any enterprise which is subject to the Authority's control. A declaration of conflict of interest should be made if the member holds that he or she has a direct or indirect interest in an organization or person involved with or having a link to the Authority's line of duties and responsibilities.

Health and Safety

The Authority recognizes 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.

Environmental

The Authority 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.

Principle 7 – Audit

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

As per the Act, the 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 3 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 4 months 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 responsible Minister with such reports and financial statements.

Principle 8 – Relations with Stakeholders

Related Party Transactions

The Authority regards the Government of Mauritius as its controlling party. As per provisions of the Act constituting the Authority, the Board members represent the interest of stakeholders. Other related party transactions are as follows:

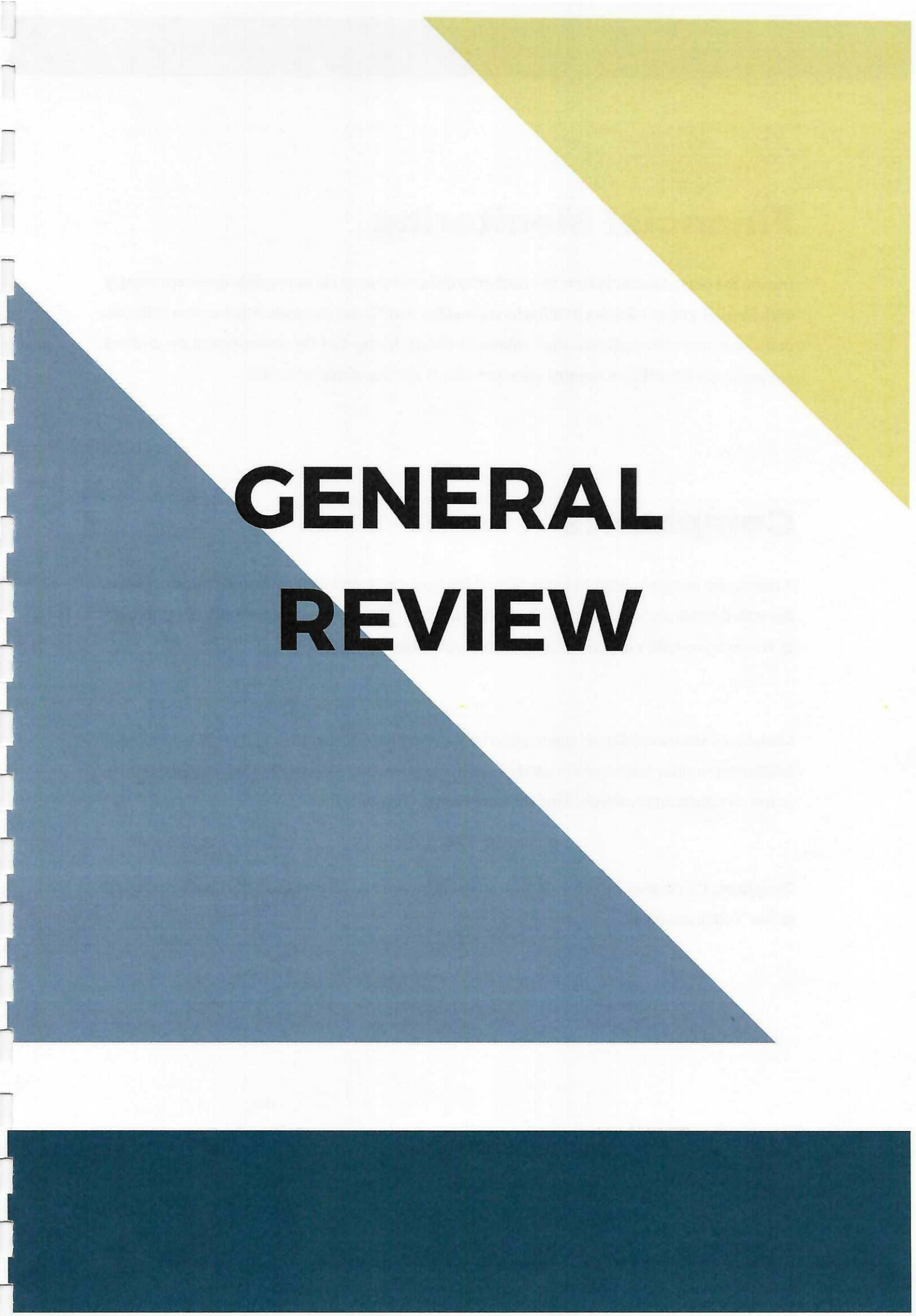
- i. Employees of the Authority which include key administrative personnel namely the Chief Executive, Administrative and Human Resource Manager, Information Systems Officer and the Accountant. Remuneration paid to the Chief Executive, Administrative and Human Resource Manager, Information Systems Officer and the Accountant are in accordance with Pay Research Bureau recommendations.
- ii. For the year under review an amount of Rs 430,127,914 collected as Licence Fees was remitted into the Consolidated Fund.
- iii. The Mauritius Revenue Authority under the GRA Act levied gambling taxes and Rs 93,824,828 was remitted to the Responsible Gambling and Capacity Building Fund.
- iv. The Authority issued licences for operator and gaming machines to four casinos owed by the State Investment Corporation Limited against payment of licence fees.

v.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.

vi.The Authority is assisted in its enforcement and surveillance mandate by the Police Des Jeux, a unit under the purview of Police Department. The salaries of the police officers of the Police Des Jeux unit are paid directly by the Government. However, allowances amounting to Rs 414,000 were paid by the Authority to the Police Des Jeux.

Relations with Stakeholders

The Authority 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.



GENERAL REVIEW

Financial Monitoring

During the period under review the Authority ensured that as far as possible licensees comply 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 as settled as soon as the license holder settled 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 01 JULY 2022 TO 30 JUNE 2023

Activity	Types of Complaints	Total	Action Taken				
			Refer to Police Des Jeux	Settled	Withdrawn	Not upheld	Under Process
Casino	Miscellaneous	3	-	1	-	-	2
Gaming House	Alleged manipulation of gaming machines	-	-	-	-	-	-
	Malfunctioning of gaming house	-	-	-	-	-	-
	Non- Validation of winning bet	2	-	-	-	1	1
	Alleged mismanagement of gaming house	-	-	-	-	-	-
	Miscellaneous	6	-	5	-	1	-
	Alleged harassment from senior staff	-	-	-	-	-	-
Amusement Machine	Negative influence on society	1	-	1	-	-	-
	Illegal operation of Amusement machine	2	2	-	-	-	-
	Illicit activities and alleged Money Laundering	-	-	-	-	-	-
	Application of Amusement Machine Operator	-	-	-	-	-	-
Bookmaker conducting Fixed Odds Betting on local race	Tickets (lost, unreadable, cancelled & erroneous), refund i.c.w. withdrawal & wrong results, etc.	10	2	8	-	-	-
Bookmaker conducting Fixed Odds Betting on Football Matches	Scheduled kick-off time, tickets (lost, unreadable & erroneous), void matches. Inaccurate fixtures & results, etc.	50	-	42	-	8	-
Miscellaneous (lotteries)	Tickets - lost, unreadable, etc.	5	-	5	-	-	-
TOTAL		79	4	62	-	10	3

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.

A summary of cases detected by the Police des Jeux during the period from 1st July 2022 to 30 June 2023, is given hereunder:

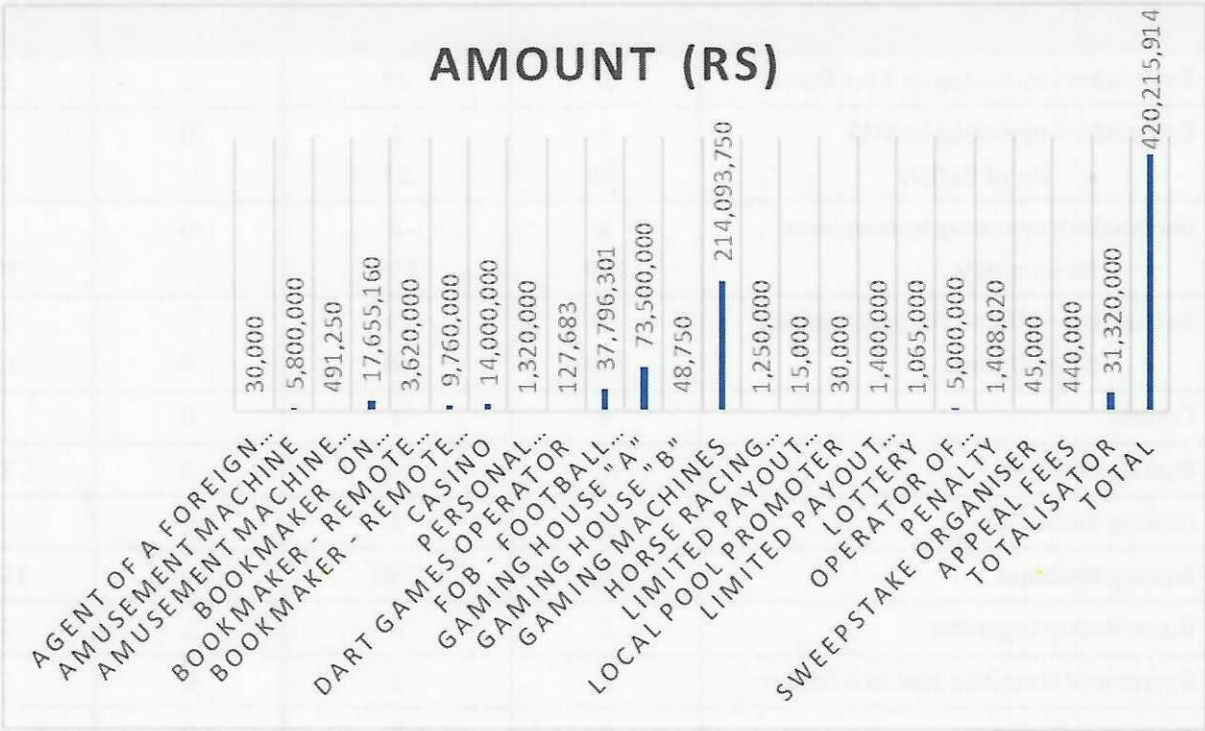
No. of cases detected	No of persons contravened	No. of persons arrested	No. of persons convicted	No. of cases dismissed/ no further action	No. of cases pending before Court	No. of cases pending decision of DPP
44	3	35	-	-	3	1

Licensees as at 30 June 2023

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 as at 30 June 2023.

Licensee	No. of Licenses as at 30 June 2022	No. of Licences issued / renewed 01 July 2022 to 30 June 2023	No. of Licences not renewed 01 July 2022 to 30 June 2023	No. of Licences as at 30th June 2023
Bookmakers operating on Race Course	0	29	1	28
Bookmakers operating by SMS	1	1	0	1
• No. of Outlets	24	24		24
Bookmakers operating by telephone	2	2	0	2
• No of outlets	100	100		100
Bookmaker – FOB on Football matches	10	11	1	10
• No. of Outlets	110	128	5	123
Casinos	4	4	0	4
Gaming House “A”	21	21	0	21
Gaming House “B”	3	3	0	3
Gaming Machines	1736	1581	147	1581
Horse Racing Organiser	2	2	1	2
Operator of Mauritius National Lottery	1	1	0	1
Totalisator Operator	2	3	0	3
• No. Of Outlets	50	75		75
Limited Payout Machines Operator	1	1	1	1
Limited Payout Machines	100	140	0	140
Agent of Foreign Pool Promoter	2	2	0	2
Local Pool Promoter	2	2	0	2
Sweepstakes Organiser	3	3	0	3
Dart Games Operator	0	6	1	5
Amusement Machine Operator	33	31	2	31
• No. Of Amusement Machines	634	593	41	593
Promotional Lottery	52	72	0	72
Holder of Personal Management Licence	1171	172	0	1343

Licence Fees Collected for Financial Year 2022/2023



An amount of Rs 420,215,914 was collected as licence fees for the reporting period. The licence fees collected are remitted into the Consolidated Fund.

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. As per GRA Act all licence fees collected are remitted into the Consolidated Fund.

Activities	Licence Fee (Rupees)	Period
CATEGORY 1 – Casino		
Casino licence	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	125,000n 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		
Hotel casino licence	(a) 55,000 for the period 1 July 2018 to 30 June 2021; (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	12 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

Hotel casino gaming machine licence	(a) 50,000 for the period 1 July 2018 to 30 June 2021; (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.	12 months
CATEGORY 2 – Gaming House “A”		
Gaming House licence in respect of Gaming House “A” games	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	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 3 – Horse Racing		
Bookmaker licence for conducting fixed odds betting on local races:		
(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) -	1,750,000	16 August to 31 December of every year or part thereof
(c) through remote communication	1,750,000 in respect of the principal place of business	1 January to 15 August of every year or part thereof
	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

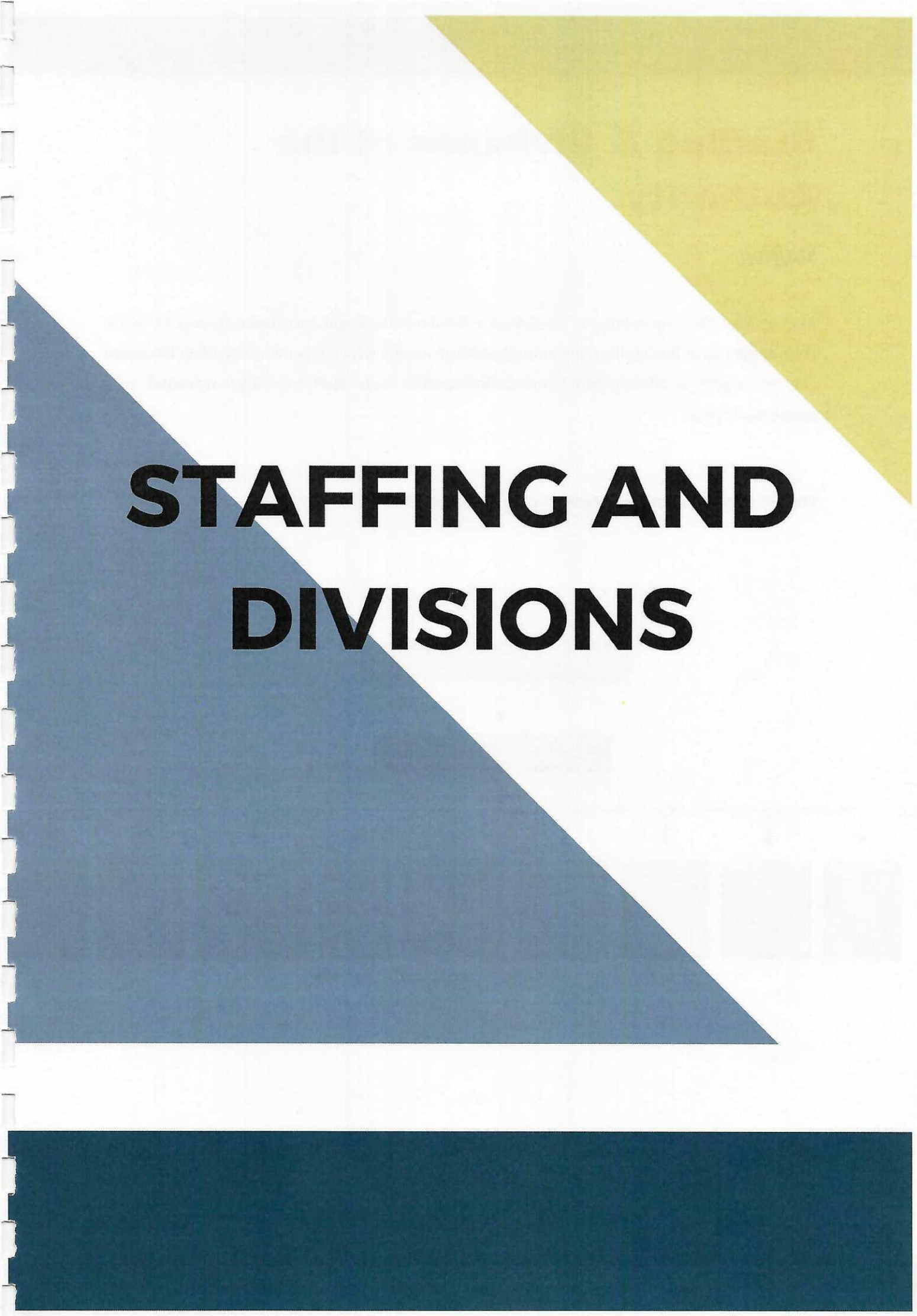
(b) for operating outside the racecourse	40,000 in respect of each place of business	Yearly or part thereof
(c) for operating through remote communication at such place outside the racecourse as may be approved by Board	40,000 in respect of the principal place of business	Yearly or part thereof
	40,000 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
CATEGORY 4		
Bookmaker licence for conducting fixed odds betting on any football matches taking place outside Mauritius other than a local race	3,500,00 in respect of the principal place of business, 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
	40,000 in respect of every other additional place of business, 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
CATEGORY 5		
Licence to Operator of Mauritius National Lottery	5,000,000	12 months
CATEGORY 6 – Miscellaneous		
(a) Sweepstake organiser licence	15,000	Yearly or part thereof

(b) Local pool promoter licence	15,000	Yearly or part thereof
(c) Agent of a foreign pool promoter licence	15,000	Yearly or party thereof
(d) Lottery licence under Part XVII	15,000 in respect of each lottery organised	
(e) Dart games licence	7,500 per dart board	1 January to 15 August of every year or part thereof

Authorised days and time Days immediately preceding race day falling on Saturday: <table><tr><td>Day</td><td>Time</td></tr><tr><td>Thursday</td><td>13.00 hrs to 18.00 hrs</td></tr><tr><td>Friday</td><td>10.00 hrs to 18.00 hrs</td></tr></table> Days immediately preceding race day falling on Sunday: <table><tr><td>Day</td><td>Time</td></tr><tr><td>Friday</td><td>10.00 hrs to 18.00 hrs</td></tr><tr><td>Saturday</td><td>10.00 hrs to 18.00 hrs</td></tr></table> Race day 09.00 hrs to 18.00 hrs Monday immediately following race day: - 12.00 hrs to 16.00 hrs	Day	Time	Thursday	13.00 hrs to 18.00 hrs	Friday	10.00 hrs to 18.00 hrs	Day	Time	Friday	10.00 hrs to 18.00 hrs	Saturday	10.00 hrs to 18.00 hrs	7,500 per dart board	16 August to 31 December of every year or part thereof
Day	Time													
Thursday	13.00 hrs to 18.00 hrs													
Friday	10.00 hrs to 18.00 hrs													
Day	Time													
Friday	10.00 hrs to 18.00 hrs													
Saturday	10.00 hrs to 18.00 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 instalments, 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, 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
(i) Limited payout 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
(j) 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 thereof
(k) 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



STAFFING AND DIVISIONS

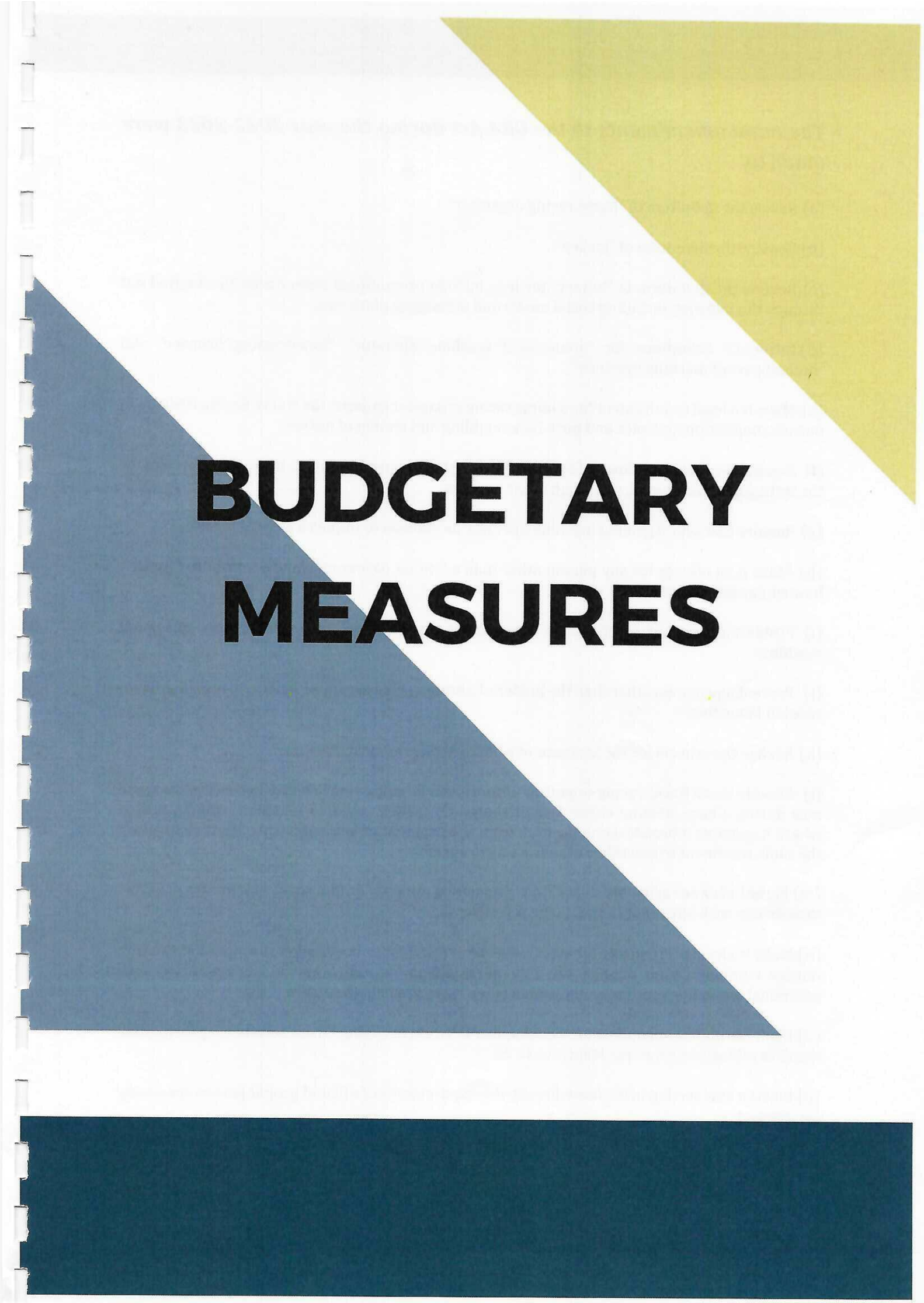
Staffing & Divisions of the Authority

Staffing

As at 30 June 2023 the number of employees at the Gambling Regulatory Authority was 52. At the level of the Horse Racing Division, an independent section which reports to the Chief Executive only in respect of administrative and policy matters, eight staff have been recruited on a contractual basis.

The different divisions at the Authority are laid down below:





BUDGETARY MEASURES

The main amendments to the GRA Act during the year 2022-2023 were made to:

- (a) Revise the definition of "horse racing organiser".
- (b) Replace the definition of "jockey".
- (c) Review the definition of "lottery" for it to include promotional lottery activities carried out through the Internet, including social media and messaging platforms.
- (d) Introduce definitions for "amusement machine operator", "broadcasting licensee" and "limited payout machine operator".
- (e) Make it a legal requirement for a horse racing organiser to assist the Horse Racing Division in out-of-competition, pre-race and post-race sampling and testing of horses.
- (f) Expand the responsibilities of the Horse Racing Committee to procure laboratory services for the testing of equine blood, urine and other samples.
- (g) Require that only a gaming machine operator be allowed to import a gaming machine.
- (h) Make it an offence for any person other than a limited payout machine operator to import a limited payout machine.
- (i) Prohibit any person other than an amusement machine operator to import an amusement machine.
- (j) Prevent any person other than the holder of a horse racing organiser licence to organise horse races in Mauritius.
- (k) Review the criteria for the issuance of a horse racing organiser licence.
- (l) Provide that a horse racing organiser authorises a broadcasting licensee to cover a live horse race during a race meeting either free of charge or against payment under the condition that where it exempts a broadcasting licensee from the payment of a broadcasting fee, it shall afford the same treatment to any other broadcasting licensee.
- (m) Forbid a horse racing organiser from preventing, directly or indirectly, any trainer or stable to associate with any other horse racing organiser.
- (n) Make it a legal prerequisite for every totalisator operator or bookmaker that operates through remote communication outside the racecourse to pay to the horse racing organiser such additional fee as the Board may determine when races are held in camera.
- (o) Limit the number of outlets for a bookmaker licensed to conduct fixed odds betting on football matches taking place outside Mauritius to 20.
- (p) Insert a new section in the law whereby the requirements of a fit and proper person are clearly established.



ACHIEVEMENTS

Some of the main achievements for the period July 2022 to June 2023 were as follows:

- During the last financial year, the Authority has launched the GRA Newsletter in an attempt to maintain open lines of communication with various stakeholders, to inform and educate the public about the Authority's purpose and objects, and to promote transparency.
- A helpline was previously created to provide first level support and assistance to problem gamblers who struggle to keep their gambling habits under control. Since 2022, the helpline is being hosted in-house at the GRA in an attempt to provide specialised support to problem gamblers.
- The E-Board project was recently implemented with a view to digitalise and modernise our internal processes. This tool enables officers to digitally sign and submit Board papers from their respective work stations. Moreover, Board papers are sent electronically hence rendering the whole process paperless and environmental-friendly.
- Since the past few months, the Authority has embarked on the GRA Automation Project, a complex and multi-faceted project whose purpose is to fully revamp the existing IT infrastructure at the Authority. The new infrastructure is expected to be completed by the end of year 2023.
- To ensure that the Authority is in line with the requirements established in the National Code of Corporate Governance and for it to fully comply with the recommendations laid out by the Auditors, the GRA has recently revised its Code of Ethics and Conduct as well as its Board and Committee Charters.
- In line with the Key Performance Indicators listed by the Government, the Authority has set up an Anti-Corruption Committee and Corruption Risk Management Committee.
- Amendments were made to the GRA Act to restrict importation of gaming machines, amusement machines and limited payout machines to those who have valid and corresponding operators' licences to do so. These amendments will enable the Authority to tighten its control on the types and number of machines that are to enter the Mauritian territory.
- The definition of "lottery" was broadened in the GRA Act in order to comprise promotional lottery activities organised through the internet, including social media and messaging platforms. This amendment implies that those who wish to organise promotional lottery activities through internet-based platforms will henceforth need to obtain a valid licence from the Authority to do so.
- A limit was placed on the number of outlets bookmakers are allowed to operate to offer fixed odds betting on foreign football matches. Following the amendment made to the GRA Act, the limitation was set to 20 outlets per licensed bookmaker.

Statement of Directors' Responsibilities

The Board is responsible for approving, monitoring, reviewing and evaluating the implementation of strategies, policies and plans. The Directors of the Authority are aware of their legal duties. The Board confirms that in preparing the financial statements it has, as far as possible, ensured 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;
- Kept proper accounting records which disclose with reasonable accuracy at any time the financial position of the Authority;
- The financial statements have been prepared on the going concern basis; and
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

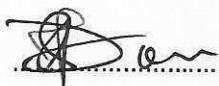
The Directors are also responsible for ensuring that the Authority complies with the National Code of Corporate Governance.

The Board ensures the maintenance of an effective internal control systems relevant to the Authority's functions including controls relevant to the preparation of the financial statements.

The Board has the overall responsibility to safeguard the assets of the Authority to prevent and detect fraud and irregularities. The Authority seek the services of the Internal Control Department of the Ministry of Finance, Economic Planning and Development as and when required.

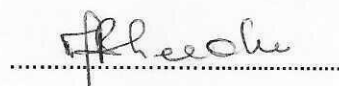
The Board is, moreover, responsible for Risk Management. The Audit and Risk Committee reviews audit reports and the Committee is also kept informed of progress on the implementation of audit recommendations. The Board is responsible for taking appropriate action to mitigate risks using measures, policies and procedures that they believe are most appropriate.

Signed on behalf of the GRA Board.



Mrs Domun Shalini

Member



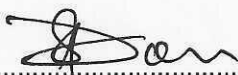
Mr Mahensingh Bheekhee

Member

Statement of Compliance

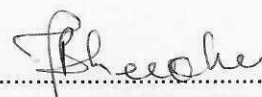
Throughout the year ended 30 June 2023, to the best of the Board's knowledge, the Gambling Regulatory Authority has complied with the requirements of the Corporate Governance Code for Mauritius except for Principles as stated below with reasons for non-compliance.

Principles	Reasons for non-compliance
<i>Principle 1 – Corporate Governance</i> Code of Ethics	The GRA being a parastatal follows the code of ethics for public officers pending application of a customised code of ethics.
<i>Principle 2 – The Structure of the Board and its Committees</i> 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.
<i>Principle 3 – Director Appointment Procedures</i> 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.
<i>Principle 4 – Director Duties, Remuneration and Performance</i> Disclosure of Interests	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.
Board Evaluation	The performance of the Board, committees and individual directors are evaluated on the basis of number of Board Meetings held, number of decisions taken and attendance of Members.
<i>Principle 5 – Risk Governance and Internal Control</i> Risk Register	During the year 2023 the Authority was in the process to upgrade its IT infrastructure. Risks were identified with a view to develop mechanisms to mitigate them with the implementation of the IT infrastructure.
<i>Principle 7 – Audit</i> 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.



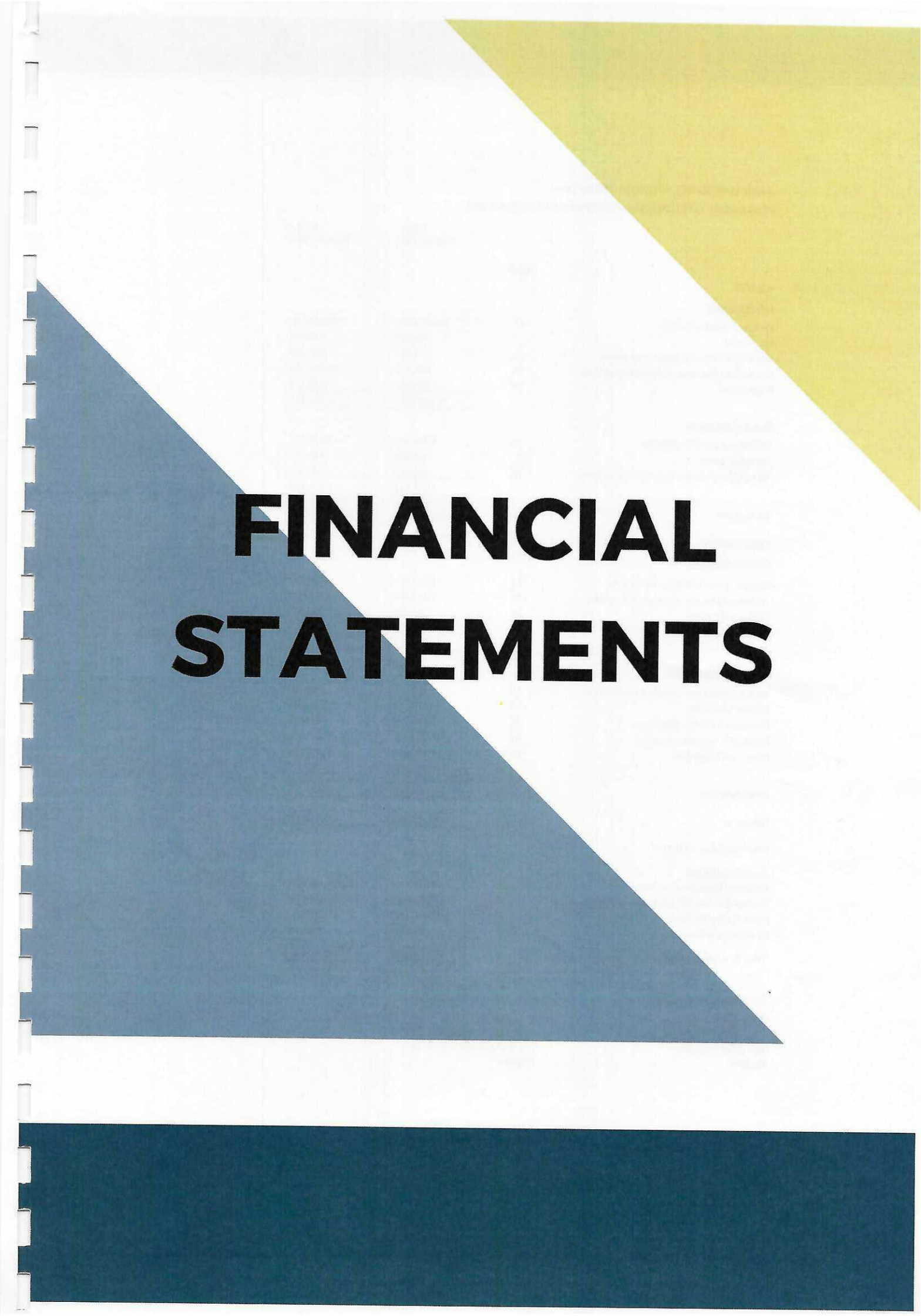
Mrs Domun Shalini

Member



Mr Mahensingh Bheekhee

Member



The image shows the front cover of a binder. The cover is white with three large geometric shapes: a yellow triangle in the top right corner, a blue triangle in the bottom left corner, and a dark blue horizontal bar at the bottom. The title 'FINANCIAL STATEMENTS' is printed in bold, black, sans-serif capital letters across the center. The binder has a silver-colored metal ring on the left side.

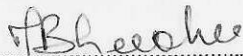
FINANCIAL STATEMENTS

GAMBLING REGULATORY AUTHORITY
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

		As at 30 June 2023	As at 30 June 2022
	Notes		
ASSETS			
<u>Current assets</u>			
Cash and cash equivalents	11	308,904,606	260,788,110
Inventories		295,049	241,285
Receivables from exchange transactions	10	775,453	628,140
Receivables from non exchange transactions	10	241,428	10,093,308
Prepayments	10	3,149,689	5,846,718
		<u>313,366,225</u>	<u>277,597,561</u>
<u>Non current assets</u>			
Property, plant and equipment	5	5,949,484	5,856,111
Intangible assets	7	353,573	389,603
Receivables from non exchange transactions	10	583,455	824,833
		<u>6,886,512</u>	<u>7,070,547</u>
Total assets		<u>320,252,737</u>	<u>284,668,108</u>
LIABILITIES			
<u>Current liabilities</u>			
Payables under exchange transactions	15	11,627,554	4,133,872
Payables under non exchange transactions	15	1,047,759	1,541,648
Employee benefits	12	563,567	543,932
Deposit licence fees		72,986,624	82,303,628
		<u>86,225,504</u>	<u>88,523,080</u>
<u>Non current liabilities</u>			
Payables under non exchange transactions	15	583,455	824,833
Employee benefits	12	10,161,708	10,266,719
Retirement benefits obligations	9	6,386,228	4,224,871
Refundable guarantee deposits	14	19,104,556	18,350,054
Waiver of licence fees	26	20,000,000	20,000,000
		<u>56,235,946</u>	<u>53,666,477</u>
Total liabilities		<u>142,461,450</u>	<u>142,189,557</u>
Net assets		<u>177,791,287</u>	<u>142,478,551</u>
NET ASSETS / EQUITY			
<u>Accumulated Fund</u>			
Gambling Regulatory Authority		(9,049,701)	(25,158,623)
Responsible Gambling & Capacity Building Fund		188,505,908	165,718,661
Horse Racing Division		(2,056,120)	1,331,713
Revaluation reserve	6	391,200	586,800
Total Net Assets / Equity		<u>177,791,287</u>	<u>142,478,551</u>

Approved by Board.....


Mrs Dornun Shafini
Member


Mr Mahensingh Bheekhee
Member

GAMBLING REGULATORY AUTHORITY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUN

		As at 30 June 2023	As at 30 June 2022
	Notes		
REVENUE			
Non-Exchange Transactions	13	93,395,041	37,900,000
Exchange Transactions	13	664,332	130,442
Gain from foreign exchange translation		30,360	-
Total revenue		<u>94,089,733</u>	<u>38,030,442</u>
EXPENDITURE			
Operating costs	16	19,410,984	12,473,445
Staff costs	17	39,934,974	33,103,600
Administrative costs	18	14,713,581	10,867,625
Depreciation	19	2,295,682	2,561,246
Finance costs		82,684	51,406
Loss on foreign exchange		-	44,110
		<u>76,437,906</u>	<u>59,101,432</u>
Surplus / (Deficit) for the year		<u>17,651,827</u>	<u>(21,070,990)</u>

GAMBLING REGULATORY AUTHORITY

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Revaluation Surplus	Responsible Gambling and Capacity Building fund	Horse Racing Division	Gambling Regulatory Authority	Total
Balance as at 01 July 2021		782,400	289,620,944	-	-2,749,882	287,653,462
Net surplus / (deficit) for period			51,097,717	1,331,713	(21,070,990)	31,358,440
Transfer to depreciation surplus		(195,600)				(195,600)
Transfer to Consolidated Fund			(175,000,000)			(175,000,000)
Remeasurement gain / (loss)					(1,337,751)	(1,337,751)
Balance as at 30 June 2022		<u>586,800</u>	<u>165,718,661</u>	<u>1,331,713</u>	<u>(25,158,623)</u>	<u>142,478,551</u>
Balance as at 01 July 2022		586,800	165,718,661	1,331,713	(25,158,623)	142,478,551
Net surplus / (deficit) for period			22,787,247	(3,387,833)	17,651,827	37,051,241
Transfer to depreciation surplus		(195,600)				(195,600)
Prior year adjustment					472,510	472,510
Remeasurement gain / (loss)					(2,015,416)	(2,015,416)
Balance as at 30 June 2023		<u>391,200</u>	<u>188,505,908</u>	<u>(2,056,120)</u>	<u>(9,049,701)</u>	<u>177,791,287</u>

GAMBLING REGULATORY AUTHORITY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	Notes	As at 30 June 2023	As at 30 June 2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus / (Deficit) for year		17,651,827	(21,070,990)
Adjustments for:			
Depreciation and amortization		3,686,942	3,183,205
Remeasurement (loss) / gain		(2,015,416)	(1,337,751)
Foreign exchange loss / (gain)		(30,360)	44,110
Receipt from licence	22	420,215,914	355,030,782
Licence fees remitted into Consolidated Fund		(430,127,914)	(286,147,863)
Receipts from MRA to RGCBF		103,676,708	60,250,940
Expenses - RGCBF		(72,127,583)	(192,831,457)
Receipts - HRD		70,599,596	12,342,236
Expenses - HRD		(69,403,230)	(11,043,351)
Retirement Benefits Obligations-adjustment		5,038,643	(1,587,320)
Prior year and other adjustment		131,914	
Increase in provisions relating to employee benefit		(85,376)	2,385,899
Interest and other income		(531,042)	(66,396)
OPERATING SURPLUS/DEFICIT BEFORE WORKING CAPITAL CHANGES		46,680,623	(80,847,956)
Decrease/(Increase) in inventories		(53,764)	31,663
(Increase)/Decrease in receivables		83,224	497,494
Increase/(Decrease) in payables		4,287,526	6,375,669
Net cash flow from operating activities		50,997,609	(73,943,130)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of assets		(3,939,885)	(5,078,894)
Interest receivable		1,028,412	116,212
Net cash flow from investing activities		(2,911,473)	(4,962,682)
Net increase in cash and cash equivalents		48,086,136	(78,905,812)
Cash and cash equivalents at beginning of year		260,788,110	339,649,812
Effects of changes of exchange rate on cash and cash equivalents		30,360	44,110
Cash and cash equivalents at end of year		308,904,606	260,788,110

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 2023	30 June 2022
Cash at bank	308,896,261	260,779,893
Cash in hand	8,345	8,217
	<u>308,904,606</u>	<u>260,788,110</u>

(b) Property, Plant and Equipment

The aggregate cost of acquisition was Rs 3,939,885

GAMBLING REGULATORY AUTHORITY

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT FOR THE YEAR ENDED 30 JUNE 2023

	Original Budget	Revised Budget	Actual Amount on Comparable Basis	Difference Between Revised Budget and Actual Amount	Explanatory Notes
	Rs		Rs	Rs	
Revenue:					
License Fee	459,000,000	459,000,000	420,215,914	38,784,086	(i)
Recurrent Grant	88,410,000	88,410,000	92,100,000		
Recurrent Expenditure					
Salaries and compensation	26,252,000	26,252,000	19,973,265	(6,278,735)	(ii)
Passage benefits	350,000	350,000	1,390,146	1,040,146	(iii)
End of year bonus	1,842,000	1,842,000	1,599,232	(242,768)	(iv)
Cash in lieu of leaves	215,000	215,000	699,795	484,795	(v)
Allowances	1,772,000	1,772,000	2,410,593	638,593	(vi)
Travelling and transport	2,670,000	2,670,000	2,627,943	(42,057)	(vii)
Overtime	500,000	500,000	758,366	258,366	(viii)
Pension contribution	4,875,000	4,875,000	10,893,694	6,018,694	(ix)
Cost of utilities	2,115,000	2,115,000	2,412,399	297,399	(x)
Motor vehicle expenses	442,000	442,000	537,981	95,981	(xi)
Rental of building and parking slots	14,915,000	14,915,000	15,803,359	888,359	(xii)
Equipment and furniture	1,300,000	1,300,000	709,116	(590,884)	(xiii)
Office expenses and postage	325,000	325,000	315,585	(9,415)	(xiv)
Maintenance	545,000	545,000	588,406	43,406	(xv)
Cleaning services	332,000	332,000	240,070	(91,930)	(xvi)
Publications and stationery	840,000	840,000	942,148	102,148	(xvii)
Board Members fees	6,500,000	6,500,000	6,214,803	(285,197)	(xviii)
Audit fees	550,000	550,000	-	(550,000)	(xix)
Subscriptions	75,000	75,000	-	(75,000)	(xx)
Insurance	70,000	70,000	41,533	(28,467)	(xxi)
General expenses	110,000	110,000	110,621	621	(xxii)
Legal, Consultancy & Professional fees	21,815,000	21,815,000	5,232,035	(16,582,965)	(xxiii)
Total Expenses	88,410,000	88,410,000	73,501,090	(14,908,910)	
Capital budget	14,000,000	14,000,000	1,384,092	(12,615,908)	(xxiv)
Total	102,410,000	102,410,000	74,885,182	(27,524,818)	

GAMBLING REGULATORY AUTHORITY

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT FOR THE YEAR
ENDED 30 JUNE 2023 (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	92,100,000
Realisation of bank guarantee	1,200,000
Revenue grant	95,041
Revenue from non exchange transaction	664,332
Gain on Foreign Exchange Translation	30,360
Total Revenue as per Statement of Financial Performance	<u>94,089,733</u>

Expenses

Actual Expenditure as per Statement of Comparison of Budgets and Actual Amounts	73,501,090
Commitment for the year and other adjustments	8,236,186
Commitment of last year	(7,370,783)
Prior year adjustment	489,457
Inventories as at 1 July 2021	241,285
Inventories as at 30 June 2022	(295,049)
Depreciation & Amortisation	2,295,682
Movement in employee benefits	-
Pension Obligation adjustment	(110,938)
Prepayment as at 01 July 2021	776,818
Prepayment as at 01 July 2022	(787,709)
Forex exchange	170,983
Additions to PPE and Intangible assets	(709,116)
Expenditure as per Statement of Financial Performance	<u>76,437,906</u>

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

1. GENERAL INFORMATION ON REPORTING ENTITY

The Gambling Regulatory Act 2007 was proclaimed on 6 December 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 and operates under the aegis of the Ministry of Finance Economic Planning and Development.

As per Gambling Regulatory Act 2007 the objects of the Authority are to:

- (a) regulate and control gambling activities and the organisation of lottery games, sweepstakes and lotteries;
- (b) regulate and monitor the organisation 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 minimise 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 BASIS OF PREPARATION

(i) Statement of compliance

The financial statements of the Gambling Regulatory Authority have been prepared in accordance with the International Public Sector Accounting Standards (IPSASs) issued by the International Public Sector Accounting Standard Board (IPSASB) which is a Board of the International Federation of Accountants Committee (IFAC). Where an IPSAS does not address a particular issue, the appropriate International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) of the International Accounting Standards Board are applied.

(ii) Going Concern

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.

(iii) Use of estimates and judgements

The preparation of financial statements, in conformity with IPSAS and generally accepted accounting practices required the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

In the application of the GRA accounting policies, Management are required to make judgements estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions, based on actual results, may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the estimate affects only that period or in the period of revision and future periods if the revision affects both current and future periods. Estimates include but are not limited to fair valuation of inventories, accounts receivables, contingent assets and liabilities, and degree of impairment of property, plant and equipment.

One of the main assumptions and estimates concerning the future and reporting date is the Retirement Benefit Obligation. This necessitate the use of actuarial calculations and/or other assumptions such as significant estimates in respect of the expected return on plan assets, future salary and pension variation. These significant estimates are assessed periodically by management with the actuaries where applicable. Difference between actual and estimates are recorded as actuarial gain or losses.

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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 2022 to June 2023. Comparative figures relate to 01 July 2021 to 30 June 2022.

(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.

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 - 43 Leases (Effective date 1 January 2025)

IPSAS 43 sets out a comprehensive model for the identification of lease arrangements and the treatment in the financial statements of both lessees and lessors. According to IPSAS 43 all lease contracts, including rental contracts, will be recognised in the statement of financial position of the lessees, with some exceptions in limited circumstances. For lessees, IPSAS 43 introduces a right of use model that replaces the risks and rewards incidental to ownership model in IPSAS 13. Leases. On the other hand for lessors, IPSAS 43 substantially carries forward the risks and rewards incidental to ownership model in IPSAS 13.

IPSAS 43 will replace IPSAS 13 for reporting periods beginning on or after 01 January 2025 with a retrospective application by default.

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

4 ACCOUNTING POLICIES

(i) Revenue Recognition

Based on IPSAS 23 'Revenue from Non-Exchange Transactions (Taxes and Transfers)' the Authority classifies its revenue as Revenue from Exchange Transactions and Revenue from Non-Exchange Transactions.

Revenue from Non Exchange Transactions

Revenue from Non Exchange Transactions includes recurrent and capital grants from the Government.

Revenue from Exchange Transactions

Revenue from Exchange Transactions are measured at the fair value of the consideration received or receivable. Revenue is recognised to the extent that it is probable that the economic benefit or service potential associated with transactions will follow to the Authority and that the revenue can be reliably measured.

(ii) **Expenses**

All expenses have been accounted on an accrual basis.

(iii) **Property, Plant and Equipment**

Property, plant and equipment are stated at cost or revalued amount less accumulated depreciation and any recognised impairment losses. Costs includes expenditures that are directly attributable to the assets.

Assets with a total contract value below the Rs 5,000 threshold are expensed in the Statement of Financial Performance during the year of acquisition.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives using the straight line method at the following rates:

Computer equipment	33.33%
Computer software	20%
Office equipment	20%
Motor vehicles	20%
Furniture, fixtures and fittings	10%

Depreciation is fully charged in the year of acquisition and no charge is made in the year of disposal.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits will flow to the Authority and its cost can be measured reliably. The costs of the day-to-day servicing of property plant and equipment are recognised in the Statement of Financial Performance as incurred.

The gain or loss arising on the disposal of an item of plant and equipment is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognised in the Statement of Financial Performance.

At each Statement of Financial Position date, the Authority reviews the carrying amount of its tangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss and the carrying amount of the asset is reduced to its recoverable amount.

Intangible assets such as computer software are recognised only if it is probable that future economic benefits that are attributable to the assets will flow to the Authority and the cost of the assets can be measured reliably.

The vehicles of the Authority were valued by a Motor Surveyor as at 30 June 2020.

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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.

The Authority's accounting policies in respect of the main financial instruments are as follows:

(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 2022 to 30 June 2023.

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

4 ACCOUNTING POLICIES (CONT.)

(x) Retirement and other benefit obligationEmployee benefits

Employee benefits comprise all forms of consideration given by the Authority in exchange of service rendered by employees. These includes current and short term benefits such as salaries, National Savings Funds, Family Protection Schemes, contribution, annual leaves, vacation leaves, sick leaves and passage benefits.

Sick leave

Sick leaves not taken are accumulated by employees to a bank maximum of 110 days. Sick leaves are either cashed in full on resignation, on retirement or taken as leave prior to retirement and are recognised as liability in the financial statements.

Passage benefits

Passage benefits are provided to eligible employees as part of their contract of employment. It is calculated as a percentage of employee's salary as specified in the Pay Research Bureau Report 2021. The amount earned is accrued and same is cleared as and when employees take their passage benefit entitlement. They are therefore classified as employee benefits and are measured at their nominal value. The carrying amount is re-measured each year and after taking into account amount paid and earned during the year.

Benefits for officers on contract

Benefits such as gratuity, unutilised annual leaves and passage benefits for officers employed on contract are expensed during the period and amount unpaid as at the date of reporting are accrued and recognised as liability.

Vacation leave

Provision is made at the end of each reporting date with respect to vacation leaves accruing to the employees as per conditions and recommendations stipulated in the Pay Research Bureau.

Defined Benefit Pension Plan

Provision for retirement benefits to employees of Authority is made under the Statutory Bodies Pension Funds Act, as subsequently amended. The Scheme is partly funded by GRA and the employee. Its assets are managed by the State Insurance Company of Mauritius Ltd. The cost of providing benefits is determined using the projected unit credit method with actuarial valuations being carried out at the end of annual reporting period.

The present value of the defined benefit obligations is recognized in the Statement of Financial Position after adjusting the fair value of the plan's assets, any unrecognized actuarial gains and losses and any unrecognised past service. The net total of the current service cost, interest cost, expected returns on plan's assets, fund expenses, any recognized actuarial gains and losses, any recognized past service cost and the effect of any curtailment or settlement is recognized in the Statement of Financial Performance.

Family Protection Scheme

This scheme is established by the Civil Service Family Protection Scheme Act.

Under this Act every public officer shall, from the date of his appointment, make a contribution to the Scheme at the rate specified in the Schedule, until he ceases to be a public officer and attains the age of 60 or optionally up to 65 years. On the death of the contributor, his surviving spouse and children are granted a pension at the rate specified in the Act. The pension granted ceases on the death of the surviving spouse or remarriage.

State Pension Plan

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

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

4 ACCOUNTING POLICIES (CONT.)

(xi) Provisions and Contingent Liabilities

A provision is recognised in the statement of financial position when GRA has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.

(xii) Risk Management Policies

A description of the various risks to which the Authority is exposed to is shown below and the approach adopted by management to control and mitigate those risks.

Currency Risk

Currency risk arises only from purchase of goods and services which are denominated in foreign currencies that are negotiated at prevailing exchange rates.

Financial Risk

The Authority as a public sector entity, is not much exposed to financial risks. The Authority does not use any derivative financial instruments to hedge risk exposures.

Operational Risk

Operational risk, which is inherent in all organisations activities, is the risk of financial loss instability arising from failures in internal controls, operational processes or the system that supports them. It is recognized that such risks can never be entirely eliminated and the costs of controls in minimizing these risks may outweigh the potential benefits.

Legal Risk

Legal risk is the risk that business activities of the Authority have unintended or unexpected legal consequences. The Authority identifies and manages legal risks through legal advice from the State Law Office on all its day to day dealings.

(xiii) Taxation

No provision has been made in the financial statements for income tax and value added tax, on the basis that the Authority is exempted.

(xiv) Foreign Currency Transactions

Transaction in foreign currencies are translated to Mauritian rupee at the exchange rate ruling at the date of transaction.

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

5 PROPERTY, PLANT & EQUIPMENT

	COMPUTER HARDWARE, PERIPHERALS	OFFICE EQUIPMENT	FURNITURE & FIXTURES	MOTOR VEHICLES	TOTAL
COST	Rs	Rs	Rs	Rs	Rs
As at 01 July 2022 - GRA	7,288,515	2,803,408	3,676,905	3,186,750	16,955,578
As at 01 July 2022 - RGCBF	-	-	-	-	-
As at 01 July 2022 - HRD	1,697,170	10,580	49,450	-	1,757,200
Total	8,985,685	2,813,988	3,726,355	3,186,750	18,712,778
Additions - GRA	74,833	561,833	72,450	-	709,116
Additions - RGCBF	1,768,154	-	-	-	1,768,154
Additions - HRD	43,700	156,361	1,162,554	-	1,362,615
Total	1,886,687	718,194	1,235,004	-	3,839,885
At 30 June 2023	10,872,372	3,532,182	4,961,359	3,186,750	22,552,663
DEPRECIATION					
As at 01 July 2022 - GRA	5,150,444	2,356,488	2,814,057	1,962,950	12,283,939
As at 01 July 2022 - RGCBF	-	-	-	-	-
As at 01 July 2022 - HRD	565,667	2,116	4,945	-	572,728
Total	5,716,111	2,358,604	2,819,002	1,962,950	12,856,667
Charge for the year - GRA	1,224,006	322,178	157,699	525,000	2,228,883
Charge for the year - RGCBF	589,326	-	-	-	589,326
Charge for the year - HRD	578,115	33,388	121,200	-	732,703
Release of revaluation surplus - GRA	-	-	-	195,600	195,600
Total	2,391,447	355,566	278,899	720,600	3,746,512
At 30 June 2023	8,107,558	2,714,170	3,097,901	2,683,550	16,603,179
CARRYING AMOUNT					
At 30 June 2023 - GRA	988,898	686,575	777,599	503,200	2,956,272
At 30 June 2023 - RGCBF	1,178,828	0	0	0	1,178,828
At 30 June 2023 - HRD	597,088	131,437	1,085,859	0	1,814,384
Total	2,764,814	818,012	1,863,458	503,200	5,949,484
At 30 June 2022 - GRA	2,138,071	446,920	862,848	1,223,800	4,671,639
At 30 June 2022 - HRD	1,131,503	8,464	44,505	-	1,184,472
	3,269,574	455,384	907,353	1,223,800	5,856,111

6 REVALUATION RESERVE

The vehicles of the Authority was revalued by a Motor Surveyor as at 30 June 2020. The results are shown below:

	As at 30 June 2023	As at 30 June 2022
Valuation at start of year	586,800	782,400
Gain on revaluation		
Amortisation	(195,600)	(195,600)
Balance at end of year	391,200	586,800

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

7 **INTANGIBLE ASSETS**

	GRA	HRD	TOTAL
	COMPUTER SOFTWARE	COMPUTER SOFTWARE	
COST	Rs	Rs	Rs
At 01 July 2022	1,154,768	246,157	1,400,925
Additions	-	100,000	100,000
At 30 June 2023	<u>1,154,768</u>	<u>346,157</u>	<u>1,500,925</u>
DEPRECIATION			
At 01 July 2022	962,091	49,231	1,011,322
Charge for the year	66,799	69,231	136,030
At 30 June 2023	<u>1,028,890</u>	<u>118,462</u>	<u>1,147,352</u>
CARRYING AMOUNT			
At 30 June 2023	125,878	227,695	353,573
At 01 July 2022	192,677	196,926	389,603

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 2023 were as follows:

	As at 30 June 2023	As at 30 June 2022
Car loan	<u>824,883</u>	<u>1,066,311</u>

Movement in car loan are as follows:

Balance at 01 July	1,066,311	1,450,596
Refund during the year	(241,428)	(384,285)
Balance as at 30 June	<u>824,883</u>	<u>1,066,311</u>

Amount shown as current (non-exchange transactions)	241,428	241,428
Amount shown as non-current (non-exchange transactions)	583,455	824,883

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

9 RETIREMENT BENEFIT OBLIGATION - IPSAS 39

The actuarial valuation of the Authority Staff Pension Fund managed by SICOM Ltd as at 30 June 2023 is reported as follows:

	As at 30 June 2023	As at 30 June 2022
Amount recognised in Statement of Financial Position at end of year:		
Defined benefit obligation	17,770,918	14,291,932
Fair value of plan assets	(11,384,690)	(10,067,061)
Liability recognised in statement of financial position at year end	6,386,228	4,224,871
Amounts recognised in Income Statement:		
Service cost:		
Current service cost	727,504	773,061
(Employee contributions)	(293,925)	(256,878)
Fund Expenses	40,640	88,436
Net Interest expense/(income)	210,584	115,893
P & L Charge	684,803	720,512
Remeasurement		
Liability (gain)/loss	1,965,426	747,052
Assets (gain)/loss	49,990	590,699
Net Assets / Equity (NAE)	2,015,416	1,337,751
Total	2,700,219	2,058,263
Movements in liability recognised in statement of financial position:		
At start of year	4,224,871	2,637,551
Amount recognised in P & L	684,803	720,512
(Contributions paid by employer)	(538,863)	(470,943)
Amount recognised in NAE	2,015,416	1,337,751
At end of year	6,386,227	4,224,871

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

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

9 RETIREMENT BENEFIT OBLIGATION (CONT'D)

	As at 30 June 2023	As at 30 June 2022
Reconciliation of the present value of defined benefit obligation		
Present value of obligation at start of period	14291932	12,163,637
Current service cost	727504	773,061
Interest cost	786056	608,182
Liability (gain)/loss	1965426	747,052
Present value of obligation at end of period	17,770,918	14,291,932
Reconciliation of fair value of plan assets		
Fair value of plan assets at start of period	10,067,061	9,526,086
Expected return on plan assets	575,472	492,289
Employer contributions	538,863	470,943
Employee contributions	293,925	256,878
(Benefits paid + other outgo)	(40,640)	(88,436)
Asset gain/(loss)	(49,990)	(590,699)
Estimated Fair value of plan assets at end of period	11,384,691	10,067,061
Distribution of plan assets at end of period		
Percentage of assets at end of year	JUNE 2023	JUNE 2022
Fixed Interest securities and cash	53.90%	58.00%
Loans	2.80%	2.90%
Local equities	14.00%	13.60%
Overseas bonds and equities	28.80%	25.00%
Property	0.50%	0.50%
Total	100%	100%
Additional disclosure on assets issued or used by the reporting entity		
Percentage of assets at end of year	30 JUNE 2023	30 JUNE 2022
Assets held in the entity's own financial instruments	(%) 0	(%) 0
Property occupied by the entity	0	0
Other assets used by the entity	0	0
Components of the amount recognised in NAE		
Year	JUNE 2023	JUNE 2022
Currency	Rs	Rs
Asset experience gain/(loss) during the period	(49,990)	(590,699)
Liability experience gain/(loss) during the period	(1,965,426)	(747,052)
Surplus/(deficit)	(2,015,416)	(1,337,751)
Year	2023-2024	
Expected employer contributions	528,690	
Weighted average duration of the defined benefit obligation	20 years	
(Calculated as a % change in PV of liabilities for a 1% change in discount rate)		

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

9 RETIREMENT BENEFIT OBLIGATION (CONT'D)

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

The cost of providing the benefits is determined using the Projected Unit Method.
The principal assumptions used for the purpose of the actuarial valuation were as follows:

	Year ending 30 June 2023	Period ended 30 June 2022
Discount rate	6.12%	5.00%
Future salary increases	4.50%	3.50%
Future pension increases	3.50%	2.50%
Mortality before retirement	Nil	
Mortality in retirement	PA (90) Tables rated down by 2 years	
Retirement age	65 years	

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 analysis below have been determined based reasonably on possible changes of the assumptions occurring at the end of the reporting period.

If the discount rate would be 100 basis points (one percent) higher (lower), the defined benefit obligation would decrease by Rs 3.1 M (increase by Rs 4.0 M) if all other assumptions were held unchanged.

If the expected salary growth would increase (decrease) by 1% basis point, the defined benefit obligation would increase by Rs 2.3 M (decrease by Rs 2.0 M) if all assumptions were held unchanged.

If life expectancy would increase (decrease) by one year, the defined benefit obligation would increase by Rs 447,000 (decrease by Rs 447,000) if all assumptions were held unchanged.

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

10 TRADE AND OTHER RECEIVABLES

	As at 30 June 2023	As at 30 June 2022
<u>Exchange Transactions (Current Asset)</u>		
Interest Receivable	131,183	14,230
Court expenses receivables	644,270	613,910
	<u>775,453</u>	<u>628,140</u>
Deposit	2,220,872	2,220,872
Prepayments - Gambling Regulatory Authority	928,817	917,926
Prepayments - Responsible Gambling and Capacity Building Fund	-	2,707,920
	<u>3,149,689</u>	<u>5,846,718</u>
<u>Non-Exchange Transactions (Current Asset)</u>		
Car Loan (Notes 8)	241,428	241,428
Responsible Gambling and Capacity Building Fund	-	9,851,880
	<u>241,428</u>	<u>10,093,308</u>
<u>Non-Exchange Transactions (Non Current Asset)</u>		
Car Loan (Notes 8)	583,455	824,833
	<u>583,455</u>	<u>824,833</u>
11 <u>CASH AND CASH EQUIVALENTS</u>		
Savings A/C	25,569,672	3,964,191
Savings A/C - License fees	72,986,624	41,246,728
Savings A/C - Refundable Deposit	19,966,437	19,973,788
Responsible Gambling and Capacity Building Fund	187,491,547	153,228,181
Horse Racing Division	2,881,981	985,605
Cash in Hand	8,345	41,389,617
Total	<u>308,904,606</u>	<u>260,788,110</u>

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

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

12 EMPLOYEE BENEFITS

Employee benefits represent provision for sick leave, annual leave, passage benefits and gratuity. The accumulated balance under these items are detailed as below:-

	As at 30 June 2023 Rs	As at 30 June 2022 Rs
Opening Balance	10,810,651	8,424,752
Earnings for the year	2,755,563	2,439,767
Paid to staff	(2,840,939)	(53,868)
Balance as at 30 June	<u>10,725,275</u>	<u>10,810,651</u>
These obligations are payable as follows:		
<u>Current Liabilities</u>		
Payable within one year	563,567	543,932
<u>Non Current Liabilities</u>		
Payable after one year	10,161,708	10,266,719
	<u>10,725,275</u>	<u>10,810,651</u>

13 REVENUENon - Exchange Transactions

	As at 30 June 2023 Rs	As at 30 June 2022 Rs
Grant received from government	92,100,000	37,900,000
Realisation of bank guarantee	1,200,000	-
Revenue grant	95,041	-
	<u>93,395,041</u>	<u>37,900,000</u>

Exchange Transactions

	As at 30 June 2023 Rs	As at 30 June 2022 Rs
Interest received	1,028,412	116,212
Interest receivable	131,183	14,230
Court expense receivable	-	-
	<u>1,159,595</u>	<u>130,442</u>
Interest transferred to Consolidated Fund	(497,370)	(49,816)
	<u>662,225</u>	<u>80,626</u>
Sundry income	2,107	-
	<u>664,332</u>	<u>80,626</u>

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

14 REFUNDABLE GUARANTEE DEPOSITS

Security Deposit in the form of Bank Guarantee for the sum of Rs 193,617,458 has been furnished by licensees at 30 June 2023 movement of which is shown below:

	As at 30 June 2023 Rs	As at 30 June 2022 Rs
Opening balance of bank guarantee as at 01 July 2021	146,401,788	161,342,083
Bank guarantee received during year	- 39,256,527	21,299,072
Bank guarantee released during year	(9,708,328)	(36,239,367)
Bank guarantee realised during the year	(1,200,000)	-
Prior year adjustment*	(20,000,000)	-
Closing balance of bank guarantee as at 30 June 2022	<u>154,749,987</u>	<u>146,401,788</u>

*Prior year adjustment relates to security provided for Stable Mangers suspended and no longer valid.

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

	As at 30 June 2023 Rs	As at 30 June 2022 Rs
Balance at 1 July	18,350,054	14,538,432
Deposit Received	11,300,204	9,950,620
less refund of Deposit	(10,545,702)	(6,138,998)
Balance at 30 June	<u>19,104,556</u>	<u>18,350,054</u>

15 TRADE AND OTHER PAYABLES

	As at 30 June 2023 Rs	As at 30 June 2022 Rs
Exchange Transactions (Current Liabilities)		
Payables and Accrued Expenses	5,303,927	4,004,982
Payables - Responsible Gambling and Capacity Building Fund	158,147	69,320
Payables - Horse Racing Division	6,165,480	59,570
	<u>11,627,554</u>	<u>4,133,872</u>

Non Exchange Transactions (Current Liabilities)

Car loan (note 7)	241,428	241,428
Horse Racing Division	806,331	1,300,220
	<u>1,047,759</u>	<u>1,541,648</u>

Non Exchange Transactions (Non Current Liabilities)

Car Loan	583,455	824,833
	<u>583,455</u>	<u>824,833</u>

16 OPERATING COSTS

	As at 30 June 2023 Rs	As at 30 June 2022 Rs
Police des Jeux	414,000	414,000
Rent of Building & parking slot	15,726,540	9,937,315
Telephone Charges	1,438,656	835,054
Electricity Charges	1,221,976	786,807
Printing and Stationery	609,812	500,269
	<u>19,410,984</u>	<u>12,473,445</u>

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

17 STAFF COSTS

	As at 30 June 2023 Rs	As at 30 June 2022 Rs
Salaries, allowances and other staff cost	25,857,792	26,495,398
Pensions expenses	10,636,816	3,447,923
Employee Benefits	2,755,563	2,439,767
Retirement Benefits Obligations	684,803	720,512
	39,934,974	33,103,600

18 ADMINISTRATIVE EXPENSES

	As at 30 June 2023 Rs	As at 30 June 2022 Rs
Board & Committee Fees	3,670,250	4,017,015
Appeal Committee Fees	2,277,052	2,262,330
Legal Fees	1,030,600	1,440,400
Postage	28,666	20,906
Newspapers & Periodicals	97,120	132,066
Press Notice	124,373	127,926
Office Supplies and Refreshments	293,315	148,434
Cleaning Services	240,070	193,080
Repairs & Maintenance	611,681	385,374
General Expenses	150,546	57,877
Motor vehicles expenses	540,581	423,016
Overseas Mission	-	205,193
Professional Fees	203,096	234,342
Consultancy Fees	5,386,179	-
Subscription	54,052	40,539
Miscellaneous expenses	6,000	929,127
Audit Fees	-	250,000
	14,713,581	10,867,625

19 DEPRECIATION

	As at 30 June 2023 Rs	As at 30 June 2022 Rs	RATE
Depreciation Charge			
Motor Vehicle	525,000	525,000	20%
Furniture & Fixtures	157,699	153,962	10%
Office Equipment	322,178	413,201	20%
Computer Equipment	1,224,006	1,379,054	33%
Computer Software	66,799	90,029	20%
	2,295,682	2,561,246	

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

20 RESPONSIBLE GAMBLING AND CAPACITY BUILDING FUND

The Responsible Gambling and Capacity Building Fund (RGCBF) was set up under the Finance (Miscellaneous Provisions) Act 2016. As per the Finance (Miscellaneous 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 (Miscellaneous 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 2023

20 RESPONSIBLE GAMBLING AND CAPACITY BUILDING FUND (CONTINUED)

Revenue and expenditure for the Responsible Gambling and Capacity Building Fund for the year ended 30 June 2023 were as follows:

	As at 30 June 2023 Rs	As at 30 June 2022 Rs
REVENUE		
<u>Non Exchange Transactions</u>		
Receipts from Mauritius Revenue Authority	93,824,828	67,950,042
Total revenue	<u>93,824,828</u>	<u>67,950,042</u>
EXPENDITURE		
Grant to Horse Racing Division	62,417,000	-
Member fees	132,000	254,100
Allowances	263,394	-
Subscription - IT Licence	704,450	675,455
Remittance into Consolidated Fund	-	-
Administrative costs	6,725	513,164
Customer relation hub	74,750	822,250
Capacity building	1,670,073	-
Out of competition testing	-	2,370,405
Expenses relating to Horse Racing Division	1,517,772	11,717,556
Maintenance IT systems	3,233,929	-
Consultancy fees	417,027	460,325
Depreciation	589,326	-
Finance costs	11,136	39,070
	<u>71,037,582</u>	<u>16,852,325</u>
Surplus / (Deficit) for the year	<u>22,787,246</u>	<u>51,097,717</u>

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

21 HORSE RACING DIVISION

The CRA Act was amended through the Finance (Miscellaneous Provisions) Act 2021 for the establishment of the Horse Racing Division with the following objectives:

- (i) To regulate, control and monitor the organisation of horse racing activities;
- (ii) To promote public confidence in the integrity of the horse racing industry by ensuring proper standards of conduct and competence;
- (iii) To ensure that horse racing is fair, clean and free from corruption or malpractice;
- (iv) To ensure that there is a clear and transparent framework for access to participation in horse racing;
- (v) To promote the welfare and leisure of the racegoing public.

As per the Finance (Miscellaneous Provisions) Act the activities of the Horse Racing Division shall be financed out of the Responsible Gambling and Capacity Building Fund.

Revenue and expenditure for the Horse Racing Division for the year ended 30 June 2023 were as follows:

	As at 30 June 2023 Rs	As at 30 June 2022 Rs
REVENUE		
<u>Non Exchange Transactions</u>		
Receipts from Responsible Gambling & Capacity Building Fund	62,444,498	11,717,556
Receipts from Horse Racing Organisers - Jockey's fees	6,302,762	631,000
Total revenue	68,747,260	12,348,556
EXPENDITURE		
Staff costs	3,074,056	811,530
Member fees	1,230,260	166,357
Jockey's fees	6,300,588	631,000
Consultancy fees	17,766,684	7,890,042
Printing, postage and stationery	77,942	27,590
Press adverts	162,864	411,604
Administrative costs	308,042	438,342
Out of competition testing	41,350,562	-
Legal and other fees	139,873	-
Telephone	806,359	14,625
Depreciation	801,934	621,957
Maintenance	49,385	3,681
Finance costs	66,595	115
	72,135,144	11,016,843
(Deficit) / Surplus for the year	(3,387,884)	1,331,713

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

22 EXPLANATORY NOTES ON DIFFERENCE BETWEEN BUDGET AND ACTUAL EXPENDITURE

The Authority prepares its budget on a cash basis. A budget of Rs 88.4 M and Rs 14 M was allocated for recurrent expenditure and capital expenditure respectively. Differences between budget and actual amount are explained below.

(i) Licence Fee

The shortfall in licence fees is attributable to the fact that assumptions made at time of preparation of estimates did not materialise. Forecast was made for issue of 1900 Gaming Machines, however, fewer Gaming Machines licences were issued. Similarly, provision was made for issue of 300 Personal Management Licences but only 88 licences were issued.

(ii) Salaries and Compensation

Lower expenditure as compared to budget was because provision was made for filling of various positions such as Procurement and Supply Officer, Chief Gambling Regulator and Investigator, System Analyst and Internal Auditor amongst others. However, these positions were not filled.

(iii) Passage Benefits

More claims for passage benefits from employees were received than anticipated and passage benefits was paid to employees who resigned during the year resulting in higher expenses.

(iv) End of year bonus

Less end of year bonus paid is attributable to resignation of employees during the year.

(v) Cash in lieu of leaves

Accumulated sick leave was refunded to employees who resigned during the year resulting in higher expenditure.

(vi) Allowances

Higher allowances paid as compared to budget is because following the Errors and Omission Report, allowance in lieu of duty was paid to officers in the grade of Gambling Regulator and Investigator.

(vii) Travelling and transport

Resignation of employees resulted in lower travelling expense.

(viii) Overtime

Higher overtime expense is because overtime paid to officers in the grade of Anti Money Laundering Officer.

(ix) Pension contributions

Higher cost of pension is because of cash injected to the tune of Rs 7.2 M in the pension fund to correct deficit of the fund.

(x) Cost of utilities

During the year the Horse Racing Division started to occupy the office premises at the Happy World Property Ltd and additional expenses were incurred in terms of electricity and telephone charges.

(xi) Motor vehicle expenses

Cost of fuel was higher as a result of the increase in the price of fuel.

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

22 EXPLANATORY NOTES ON DIFFERENCE BETWEEN BUDGET AND ACTUAL EXPENDITURE (CONT.)(xii) Rental of building and parking slots

Actual expenditure is higher because rent of June 2022 was paid in July 2022 and rent for the month of July 2023 was prepaid in June 2023.

(xiii) Equipment and furniture

Lower expenditure was due to the deferment of purchase of IT equipment.

(xiv) Office expenses

Lower expenditure than budgeted was due to the fact that provision was made for expenses related with additional offices for full year, however, additional offices was occupied in mid financial year.

(xv) Maintenance

Lower maintenance expense is because fewer IT intervention was required than anticipated.

(xvi) Cleaning services

Lower expense is because full year provision was made for cleaning of offices of Happy World Property Ltd, however, the office premises was occupied during the mid of financial year.

(xvii) Publications and stationery

More toners were purchased during the year than forecast resulting in higher stationery expense.

(xviii) Board Member Fees

Fewer payment was effected in respect of interview fees as recruitment was deferred.

(xix) Audit Fees

Payment of audit fee was deferred as audit of accounts was not finalised as at June 2023.

(xx) Subscriptions

Provision was made for subscription with international organisations which did not materialise.

(xxi) Insurance

Premium paid for insurance of equipment was lower than estimated cost.

(xxii) General expenses

Provision was made for expenses in respect of medical tests for new recruits which did not materialise.

(xxiii) Legal, Consultancy & Professional charges

Provision was made for enlistment of a Management Company in respect of Interactive Gambling but same was deferred.

(xxiv) Capital expenditure

Expenses in respect of IT Project were deferred.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

22 Receipts of Licence Fees and Remittance Into Consolidated Fund

Amount collected as Licence Fees during financial year 2022/2023 amounted to Rs 420,215,914 as detailed below.

Licence Type	Amount (Rs)
Agent of a Foreign Pool Promoter	30,000
Amusement Machine	5,800,000
Amusement Machine Operator	491,250
Bookmaker On Course	17,655,160
Bookmaker - Remote Communication (SMS)	3,620,000
Bookmaker - Remote Communication (Telephone)	9,760,000
Casino	14,000,000
Personal Management Licence	1,320,000
Dart Games Operator	127,683
FOB - Football matches	37,796,301
Gaming House "A"	73,500,000
Gaming House "B"	48,750
Gaming Machines	214,093,750
Horse Racing Organiser	1,250,000
Limited Payout Machine Operator	15,000
Local Pool Promoter	30,000
Limited Payout Machines	1,400,000
Lottery	1,065,000
Operator of Mauritius National Lottery	5,000,000
Penalty	1,408,020
Sweepstake Organiser	45,000
Appeal Fees	440,000
Totalisator	31,320,000
Total	420,215,914

Personal Management Licence collected and classified under HRD for the year was Rs 1,545,000

An amount of Rs 430,127,914 was remitted into the Consolidated Fund.

Licence fees are accounted in the Cash Flow Statement.

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

23 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 2023 Rs	As at 30 June 2022 Rs
Minimum lease payments under operating lease recognised	15,237,083	9,937,315
At Statement of Financial Position date, the Authority has outstanding commitments under non-cancellable operating leases, which fall due as follows:-		
- within one year	11,712,845	14,242,300
Later than one year and not more than three years	10,278,602	16,368,789
Total Operating Lease Obligations	21,991,447	30,611,089

Operating lease payments represent rentals payable by the GRA for leasehold of office space and parking slots under renewable agreements.

24 RELATED PARTY TRANSACTION

The Authority regards the Government of Mauritius as its controlling party. As per provisions of the Act constituting the Authority, the Board members represent the interest of stakeholders. Other related party transactions are as follows:

- Government grant received amounting to Rs 92,100,000.
 - Fees paid to Board members Rs 3,570,000.
 - 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 6,348,363
- 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.
- Licence fees collected are remitted into the Consolidated Fund and for the year under review an amount of Rs 430,127,914 was remitted into the Consolidated Fund.
 - An amount of Rs 93,824,828 was remitted to the Responsible Gambling and Capacity Building Fund by the Mauritius Revenue Authority.
 - The Authority issued licences for operator and gaming machines to four casinos owed by the State Investment Corporation Limited against payment of licence fees as specified in the GRA Act amounting to Rs 48,250,000.
 - 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. For financial year 2022/2023, based on returns received from the NSF, an amount of Rs 263,514,681 was remitted into the National Solidarity Fund.

viii. The Authority is assisted in its enforcement and surveillance mandate by the Police Des Jeux, a unit under the purview of the Police Department. The salaries of the police officers of the Police Des Jeux unit is paid directly by the Government. However, allowances amounting to Rs 414,000 was paid by the Authority to the Police Des Jeux.

ix. Remuneration paid to key personnel of the Horse Racing Division was Rs 19,527,331.

GAMBLING REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

25 GAIN/LOSS RESULTING UPON TRANSLATION OF FOREIGN EXCHANGE RATES

As at 30 June 2023 the Authority have receivables of GBP 11,000. This transaction have been restated and the result is shown below.

	GBP	Exchange Rate	Rs
Receivables at start of year	11,000	55.81	613,910
Receivables at end of year	11,000	58.57	644,270
Gain from changes in exchange rate			<u>30,360</u>

26 Court Settlement (Waiver of licence fees)

The licence of one Gaming House namely, Funworld Co Ltd, was revoked on 19th August 2010. Subsequently,
(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.

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