



**ANNUAL REPORT**  
**FOR THE PERIOD**  
**1<sup>ST</sup> JANUARY 2016 TO**  
**30<sup>TH</sup> JUNE 2017**

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## **Message from the Chairperson**

It gives me immense pleasure to associate myself with the presentation of the annual Report 2017. It provides me with the opportunity to report to the stakeholders of the Tourism Industry on the stewardship responsibility that had been entrusted to the Board of the Tourism Employees Welfare Fund in the betterment of the life of the employees of the Tourism sector and their families

The Mauritian tourism sector is a major pillar of the economy, contributing immensely towards the socio- economic development of the country. 1,686,359 tourists visited Mauritius during 2016 compared to 1,523,221 in 2015 spending 13,117,907 tourist nights in our hotels and other tourist accommodations. Tourism earnings for 2016 were Rs55.867 billion compared to Rs50.191 billion in 2015. As at end of December 2016, there were 113 licensed hotels of which 111 were in operation and two were temporarily closed due to renovation works. The total room capacity of these 111 hotels was 13,547 with 29,139 bed places employing 30,454 employees. The tourism sector has been instrumental in improving the living standard of the population and uplifting many people from the shackles of poverty and marginalization.

Mauritius had over the years rebalanced the traditional European tourism market with more pronounced penetration in emerging market like China and India so that the Euro zone which constituted 67% of total tourist's arrival in 2009 has gradually decline to 59% in 2016. To overcome the language and cultural differences between our countries, the TEWF had exposed the front liners in the hospitality industry to Chinese language and Chinese culture to equip them with the basics skills to better service the Chinese tourist. In order to continue improving the quality service rendered to our traditional customers, the TEWF had continued its strategy to provide language courses in Spanish, Russian and German to our members.

On a concluding note, I would like to convey my heartfelt thanks to all the Board members and the staff of the TEWF for their invaluable support in the implementation of policies, projects and programmes to cater for the welfare of the employees of the Tourism sector and their families.



**Mr C.R. Narain OSK**

**Chairperson**

**25<sup>th</sup> July 2018**

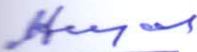
## Message from the Secretary

The Tourism Employees Welfare Fund has in line with its mandate to set up schemes and projects for the promotion of the social and economic welfare of employees of tourism enterprises and their families implemented a wide range of social and educational schemes to cater for the needs of the employees of the tourism sector.

During the financial year ended 30<sup>th</sup> June 2017 the TEWF had continued to grant loan to the employees of tourism enterprises under the various loan schemes at low rate of interest. Various leisure and welfare activities such as Sports tournaments and outdoor activities were organized involving the participation of many employees of the tourism sector and their families. Children of the tourism sector have been encouraged to follow full time undergraduate University courses in Mauritius or to undergo training in any trade at a recognized training center by sponsoring their registration fees or examination fees for a period of three years. In a bid to improve the overall quality of life of the workers in their work environment the TEWF had organized various on job competitions namely for the pastry chefs, the housekeepers, front office staff and barman. These facilities have been extended to the employees in Rodrigues.

The TEWF had continued with its policy of empowering people to enable them to provide a quality service to the Tourists. 48 employees working in the front line dealing with the Chinese tourists were trained in the Mandarin basic 30 hour's language course. 135 employees were given a glimpse of the Chinese culture and 32 in German culture. The TEWF had also proposed new Customer care and Communication skills course in French, Spanish and German to 50 employees, 39 employees were trained in food safety and hygiene.

I seize this opportunity to express my sincere thanks and gratitude to the Board of the TEWF for their support and guidance which have enabled the staff of the TEWF to meet its set out targets and deliver up to the expectation of the stakeholders.



**S. Goorapah**

**Secretary**

## **1.0 Principal activity**

The Tourism Employees Welfare Fund (TEWF) has been set up under the TEWF Act 2002 to provide for the social and economic welfare of employees of tourism enterprises and their families. It became operational since August 2003. Every employee and employer in the tourism sector currently contributes Rs 20 and Rs 60 monthly to the Fund respectively.

### **1.1 Need for Welfare**

The TEWF diligently supports the employees of the tourism industry to sustain the growth of the sector. To this end, the TEWF has been implemented an array of welfare schemes and programs to satisfy the welfare needs of the employees of the Tourism sector and their families. These schemes are designed to:

- (i) Boost the productivity of the employees at work.
- (ii) Meet the leisure needs of the employees and their families.
- (iii) Improve the quality of life of the employees both in their work environment and at home and
- (iii) Maintain excellence in service delivery.

### **1.2 Vision of the TEWF**

The vision of the Tourism Employees Welfare Fund is to be a leading organization in the provision of welfare activities for the employees of the Tourism sector and their families.

### **1.3 Mission of the TEWF**

The mission of the Tourism Employees Welfare Fund is to “provide for the social and economic welfare of the employees of the tourist enterprises and their families”.

## **1.4 Functions of the Tourism Employees Welfare Fund Board**

The main functions of the TEWF are:

- (a) Carryout such activities and do all such acts and things as appear requisite and advantageous for the furtherance of the objects of the Fund;
- (b) Grant loans from the Fund to employees for such purposes and on such terms and conditions as it may determine;
- (c) Without prejudice to the generality of paragraph (a), invest any surplus remaining in the Fund in such manner as the Board may determine;
- (d) acquire, purchase, take lease, hire, hold , enjoy movable and immovable property of every description and mortgage, transfer or otherwise dispose of, deal in any movable or immovable property belonging to the Fund upon such terms as the Board may think fit;
- (e) Receive payment in consideration of the services provided by the Fund;
- (f) Take, or otherwise acquire and hold shares, debentures or other security in any company.

## **2.0 Board Members**

The Fund is administered by a Board which is appointed by the Minister under section 6 of Tourism Employees Welfare Fund Act 2002. The Board consists of representatives of Government, Employers and Employees following the resignation of Mr Gilwyn Brunel L'Assiette was appointed as Chairperson on 17<sup>th</sup> July 2015 and had resigned on 20<sup>th</sup> December 2016, Mr Rechad Moolye, Deputy Permanent Secretary at the Ministry of Tourism was appointed as Chairperson until further notice. The composition of the Board is as follows:

<b>Chairperson</b>	Mr G.L'assiette up to 20 <sup>th</sup> December 2016 Mr R. Moolye from 21 <sup>st</sup> December 2016.
<b>Representatives of Ministries</b>	
<b>Mr R. Moolye</b>	Representative of Ministry of Tourism and External Communications
<b>Mrs S.Gowrydoss</b>	Representative of the Prime Minister's Office
<b>Mrs W.E.Doomun</b>	Representative of the Ministry of Finance and Economic Development
<b>Mr V.K.Mudhoo</b>	Representative of the Ministry of Labour, Industrial Relations & Employment
<b>Representative of Employers</b>	
<b>Mr J. Kwok</b>	Representative of AHRIM
<b>Mr D.Saramandif</b>	President Association of Tourist Professionals
<b>Mr C. Angseesing</b>	Representative of AIOM
<b>Mr C.Jhurry</b>	President Association of Tourist Operators
<b>Representative of Employees</b>	
<b>Mr K. Gujudhur</b>	Representative of Hotels & Restaurants Employees Union
<b>Mr J. Moorghen</b>	Representative of the Casino Workers Union
<b>Mr C.Jowaheer</b>	Representative of the Air Mauritius Staff Association
<b>Mrs H. Manju</b>	Representative of Airports of Mauritius (Ltd) Employees Union



## **2.1 Committees of the Board**

The Board is supported by two sub Committees, namely the Finance and Programme committee and a Human resource committee. The Finance and Programme committee looks after all matters pertaining to finance and projects/schemes of the Fund. The Human Resource committee deals with matters relating to recruitment, appointment, promotion and to the staff need of the Fund. **The composition of the sub committees are as follows:**

### **Finance and Staff Committee:**

**Mr R.Moolye (Chairperson)**- Representative of the Ministry of Tourism .

#### **Members:**

Mrs W.Elahee Doomun –Lead Analyst, Ministry of Finance & Economic Development

Mr C Angseesing - Representative of the Association of Inbound Operators

Mr K.Gujudhur - Union Member, Hotels and Restaurants Employees Union

### **Staff Committee:**

**Mr R.Moolye (Chairperson)** – Representative of the Ministry of Tourism

#### **Members:**

Mr V.K.Mudhoo- Representative of the Ministry of Labour, Industrial Relations and Employment

Mr D.Saramandif- President Association of Tourist Professionals

Mr K.Gujudhur - Union Member, Hotels and Restaurants Employees Union

## **2.2 Anti-Corruption Committee**

During 2016, the an anticorruption committee chaired by Mrs W.Elahee Doomun –Lead Analyst, Ministry of Finance & Economic Development met on one occasion. The objectives of the committee are to make recommendations so as to improve the system of control at the TEWF and to carry a risk assessment on the activities of the Fund. The Committee was made up of the following persons:-

**Anti-Corruption Committee**

S.N	NAME OF MEMBERS	
1	Mrs W. Elahee Doomun-Chairperson	Representative of the Ministry of Finance and Economic Development
2	Mr C.Angseesing	Representative of the Association of Inbound Operators
3	Mr K. Gujudhur	Representative of Hotels & Restaurant Employees Union
4	Mrs Y.M.Ramyead	Office Management Assistant, Tourism Employees Welfare Fund
5	Mr S. Goorapah	Secretary, Tourism Employees Welfare Fund
6	Mrs P.Ramkurrun	Accountant, Tourism Employees Welfare Fund
7	Mr S. Uppiah	Programme Welfare Officer TEWF

**Representative of ICAC**

	Ms B.M. Codabaccus	Senior Corruption Prevention Officer-ICAC
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### 3.0 Management and Staffing of TEWF

The Fund, as per Section 10 of the Act, is headed by a Secretary who is appointed by the Board upon approval by the Minister. The Secretary acts as the Chief Executive Officer and is responsible for the execution of the policies and day to day management of the Fund.

#### 3.1 STAFFING

	SURNAME	NAME	JOB TITLE
1	Goorapah	Soobeeraj	Secretary
2	Uppiah	Sivasankara	Programme Welfare Officer
3	Ramkurrun	Pratima	Accountant
4	Sewdin	Neetoo	Accounting Technician
5	Mahadeb-Ramyead	Yojana	Office Management Assistant
6	Faquir	Aline	Accounts Clerk
7	Jilloo	Natasa bye	Accounts Clerk
8	Dawoojee	Sarika	Management Support Officer
9	Poolay	Anista	Management Support Officer
10	Coonjul	Goswamee	Management Support Officer
11	Gunnack	Diana	Clerk/Word Processing Operator (On Contract)
12	Aliphon	Jean Patrick	Telephone/Operator
13	Sewdin	Hemraz	Office Attendant/Driver
14	Ramkhelawon	Sailesh Koomar	Office Attendant/Driver

**Note: The appellation of the Clerk/WPO and Executive Officer was changed by the Board into Management Support Officer and Office Management Assistant as from 15<sup>th</sup> June 2017.**

### **3.2 Senior Staff Qualification**

**(i) Goorapah Soobeeraj, Secretary, Tourism Employees Welfare Fund**

**Professional Qualifications:** BSC Hons Management specialisation in Accounting & Finance - University of Mauritius

**Postgraduate:** MBA (General) University of Technology Mauritius

**(ii) Mrs Ramkurrun Pratima, Accountant, Tourism Employees Welfare Fund**

**Professional Qualification:** ACCA

**Previous Post held:** Accounting Technician, State Trading Corporation.

**Postgraduate:** MBA with Financial Management - University of Mauritius

**(iii) Uppiah Sivasankara, Programme Welfare Officer, Tourism Employees Welfare Fund**

**Professional Qualifications:** Diploma in Leisure & Recreational Studies University of Mauritius, BSC Tourism, Leisure & Recreational Management-University of Mauritius

**Previous Post held:** Leisure Officer (Ministry of Tourism & Leisure)

**(iv) Mrs Neetoo Agasing Sewdin, Accounting Technician, Tourism Employees Welfare Fund.**

**Professional Qualifications:** ACCA

**(v) Mrs Mahadeb-Ramyead Yojana, Office Management Assistant, Tourism Employees Welfare Fund.**

**Qualifications:** BSC (Hons) Financial Management – University of Mauritius.

### **3.3 Training of Staff**

Mrs N.Sewdin -Accounting Technician and A.Poolay - Management Support Officer have benefitted from training in effective communication and interpersonal skill carried by the Civil Service College.

Mr S.Goorapah-Secretary had attended a one day workshop in leadership by Robin Sharma organised by the Whitefield Business School.

### Overseas Training

Mrs P .Ramkurrun Accountant attended the workshop on “Gestion touristique et hoteliere pour les pays en voie de developement ‘conducted by the Centre de certification du commerce de la province du Zhejiang China from 24th May 2017 to 13<sup>th</sup> June 2017.

### 3.4 On job Placement

The following persons were on job placement at the TEWF for the period 1<sup>st</sup> January 2017 to 30<sup>th</sup> June 2017:

1. Miss Suhasini Boyramboli
2. Miss Julianne .Ratna
3. Miss Ridhi Ahotar

### 4.0 Schemes

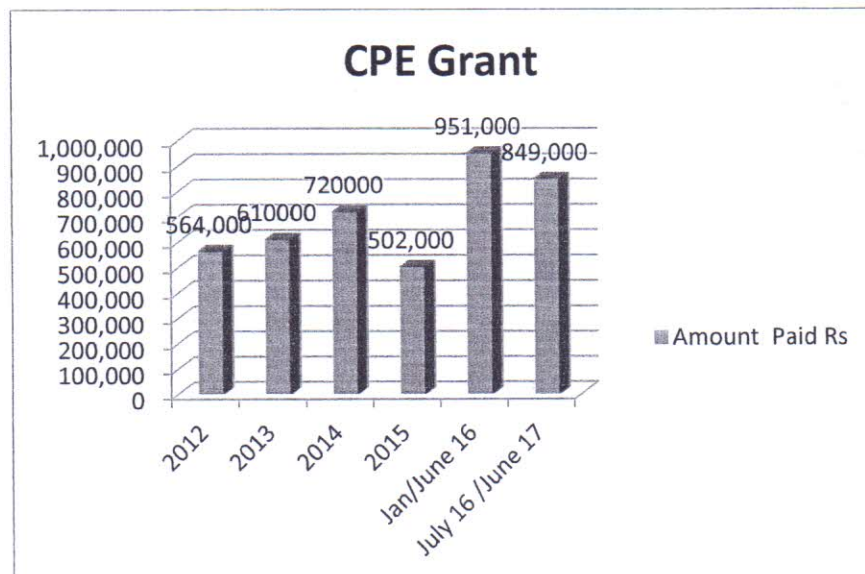
#### 4.1 Educational Schemes

##### CPE Grant

The CPE Grant had been launched to reward the wards of the employees who have passed the CPE examination with at least 20 units.

The grant is a one-off-grant of Rs 3,000.

##### Expenditures on CPE Grant:



### **SC Grant**

The School Certificate Grant had been set up to reward candidates who have passed the School Certificate with a maximum of 10 units. The Grant is a one off gift of Rs 5,000. An amount of Rs 75,000 have been disbursed for the period Jan 2016 to June 2016 and Rs 90,000 from July 2016 to June 2017.

### **HSC Grant**

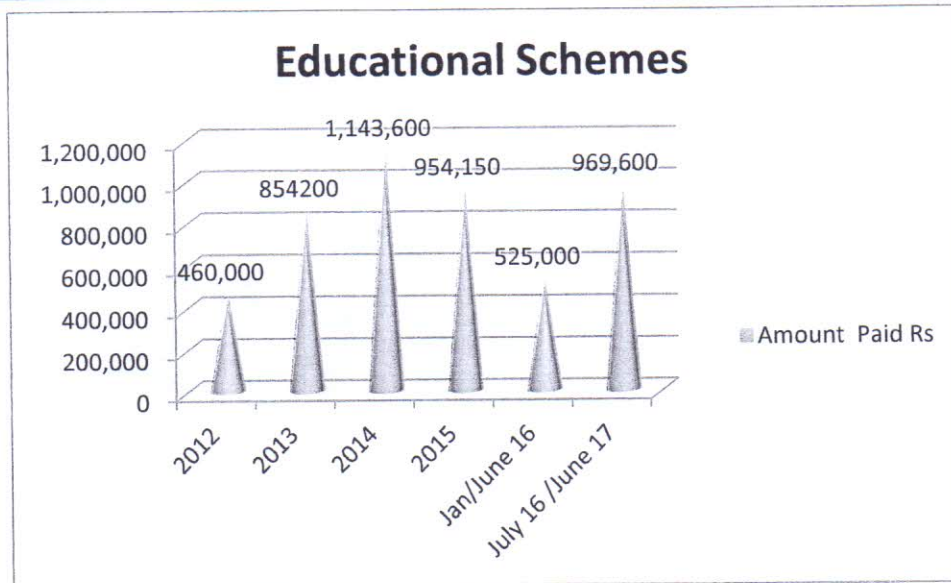
The HSC Grant of an amount of Rs 10,000 is payable to children who have passed the Higher School Certificate with 5A in their respective field of study. An amount of Rs100,000 had been paid for the period Jan 2016 to June 2016 and Rs 100,000 for the period 1<sup>st</sup> July 2016 to 30<sup>th</sup> June 2017.

### **The Laureates Gift**

The laureate Gift of Rs 20,000 is payable to children of employees working in the Tourism sector who have been declared Laureate in their respective field of study at the Higher School Certificate examination. 4 students have benefitted from the scheme in 2016 and two in 2017.

### **TEWF Scholarship**

This scholarship is for children of employees working in Tourism Enterprise who have been admitted to full time award study at any registered University or training institution in Mauritius and whose parent is drawing a maximum Basic Salary of Rs 15,000 per month. The scheme covers the registration fee or any other fees up to an amount of Rs 10,000 per annum for a maximum of three years.



## 4.2 Social Schemes

### Retirement Gift

A retirement gift is payable to employees who have contributed to the Fund on a continuous basis since August 2003 after completing more than 18 years of service and on or after attaining 55 years retires voluntarily after completing the following continuous years of service in the Tourism Sector.

Number of Years	Amount Payable (Rs)
10 to 15	3,000
15 to 17	4,000
Above 18	5,000

The Retirement Gift is also payable to an employee who had completed at least 10 years of service in the Tourism sector and retires on ground of permanent incapacity to perform his work and such incapacity is duly certified by a government medical practitioner.



### Death Grant- Employee

The Death Grant is of an amount of Rs 10,000 payable for any employee who passed away while the latter was still under employment. This Grant is payable to the person who can satisfy the TEWF that he has borne the funeral expenses or to the spouse who was living under the same roof at the time of death or on the presentation of an affidavit of the deceased employee.

### Death Grant for Dependant Relative

A Death Grant for Dependant Relatives of Rs 5,000 is payable to an employee whose dependent relative have passed away. Dependent relative includes spouse or a retired husband and child under 18 or a child over 18 following full time education or who cannot earn a living because of a physical or mental disability.

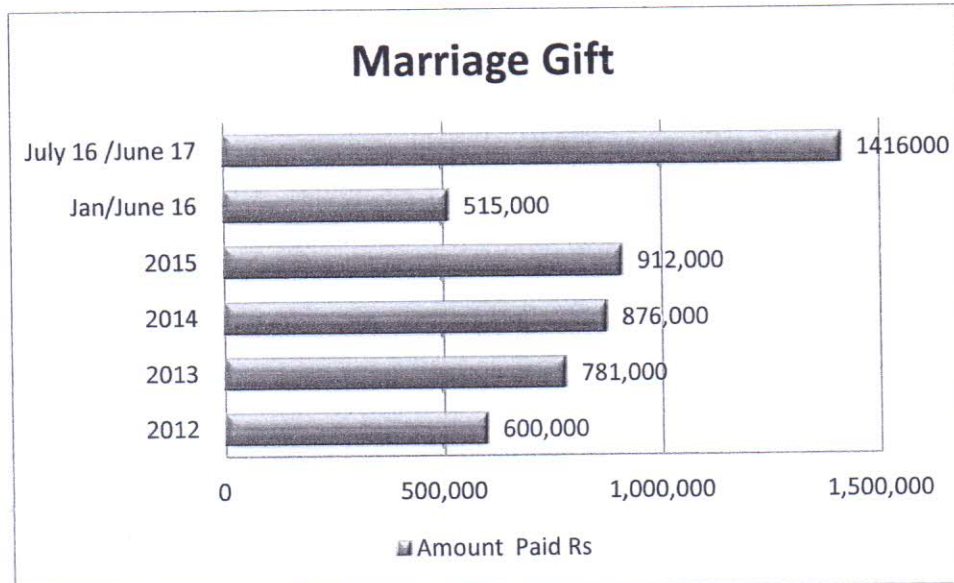
### Expenses on Death Grant/ Death Grant Dependent

	2012	2013	2014	2015	Jan/June 16	July 16 /June 17
Employee	270,000	230,000	260,000	200,000	230,000	250,000
Dependant Relative	135000	140000	155000	145,000	70,000	90,000



## Marriage Gift Scheme

The Marriage Gift which is of Rs 4,000 is payable to employees contributing to the Fund for at least one year on their getting civilly married for the first time.



## Parental Gift Scheme

The Parental Gift is a cash gift of Rs 3,000 and has been introduced as from 1st January 2013 in lieu of the maternity gift. It is payable to either husband or wife if both of them are employed in the tourism sector. An amount of Rs 587,000 was paid for the period January 2016 to June 2016 and Rs 1,627,000 had been paid for the period 1<sup>st</sup> July 2016 to 30<sup>th</sup> June 2017.

## **5.0 Loans**

### **Educational Loan Scheme**

The Educational Loan Scheme of a maximum amount of Rs 10,000 had been introduced to enable employees of the Tourism Sector contributing to the Fund to benefit from a loan for educational purposes like buying of uniforms, books or for the payment of the SC/HSC Examination for their wards or for their own training. The loan is interest free and is repayable in 10 equal installments of Rs 1000.

The applicant is required to produce a Certificate from the Educational Institute stating that either the ward is attending school or the employee had enrolled for further training.

### **Computer Loan**

The Government is encouraging investment in the ICT Sector. To meet the challenge of making Mauritius a Cyber Island computer literacy is very important. A loan scheme of a maximum amount of Rs30,000 at interest rate of 7.5% for the purchase of a computer had been set up. The repayment is over a period of 36 months.

### **Multi-Purpose Loan**

A maximum loan of Rs 50,000 at 7.5 % interest per annum repayable in 30 equal monthly installments is put at the disposal of the employees. The aim of this loan is to enable the employee to meet various types of expenses: House decoration, Medical expenses, Marriage related expenses etc.

### **Motorcycle Loan**

This is a loan of a maximum of Rs50,000 repayable in 60 monthly installments at 8.5% interest per annum for the purchase of a new motor cycle of a maximum rating of 125cc.

### **Educational Loan**

This is a loan of Rs 40,000 at an interest rate of 5% repayable in 36 monthly installments for employees undergoing further training or for the payment of school materials or other fees for the education of their wards.

### Travel Loan

The Travel loan is of an amount of Rs100,000 at 7.5% interests per annum , refundable in 48 monthly instalments for employees who wish to travel to any place in the world except to Rodrigues where the amount allocated is Rs 50,000 per applicant for a family of two persons.

### Loan Disbursement

Loan Type/ Year	2012	2013	2014	2015	Jan to June 2016	July 2016 to June 2017
Multipurpose	1,260,000	16,450,000	14,332,990	2,594,000	16,020,000	28,710,000
Computer	488,000	318,009	103,184	30,000		30,000
Educational	10,000	80,000	20,000	10,000	40,000	80,000
Motor Cycle	908,354	570,053	787,258	150,000	50,000	
Travel Loan					200,000	1,000,000
<b>TOTAL</b>	<b>2,666,354</b>	<b>17,418,062</b>	<b>15,243,432</b>	<b>2,784,000</b>	<b>16,310,000</b>	<b>29,820,000</b>

## 6.0 Outdoor Leisure Activities

**Outdoor leisure activities** such as Hiking, Island tours, Mountaineering, visits among others are organised on a regular basis to cater for the leisure needs of all the members of TEWF and their families.

The participants have only to pay a participation fee to cover the transport costs and entrance fees on the different sites and for the facilities being offered there.

Public liability insurance has been acquired to cover for any accident which may arise during the course of the outdoor events. An information desk service on all outdoor and leisure activities on the island is available to all members seeking information on such activities.

The services of trained and experienced guides in outdoor activities such as hiking, mountaineering is made available by the TEWF to group of members willing to adventure in such activities on request.

### Leisure Activities in 2016

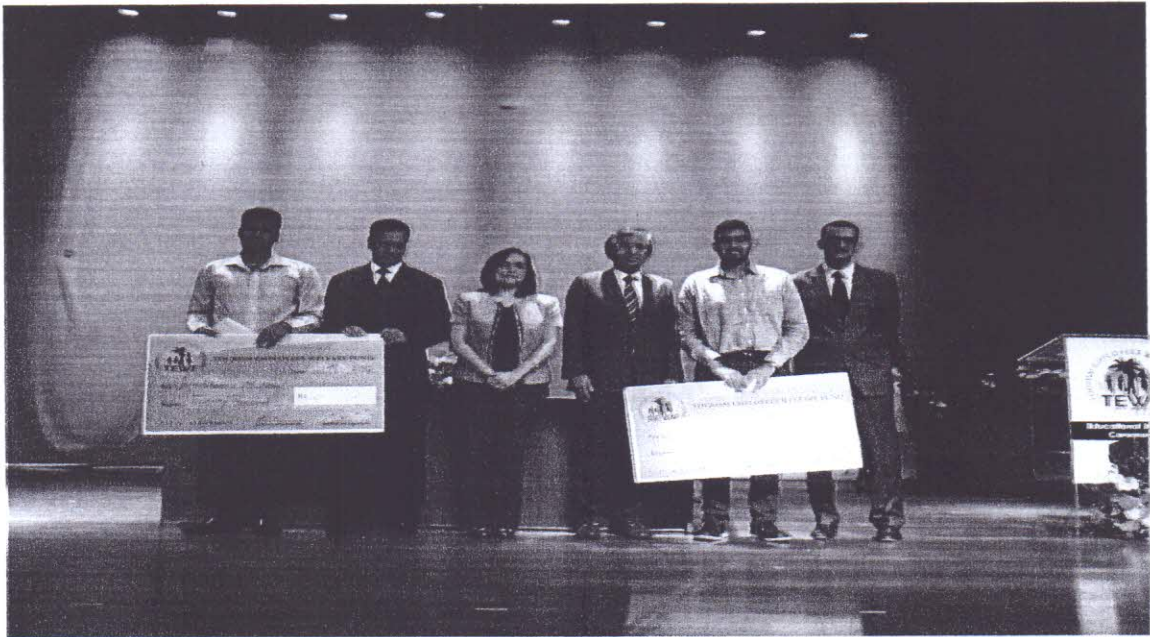
<b>Date</b>	<b>Track</b>
10 <sup>th</sup> April 2016	Alexandra falls – Mt Cocotte – Bassin Blanc
5 <sup>th</sup> June	Parakeet Trail – Visitors centre
24 <sup>th</sup> July	Le Souffler – Pont Naturel – Le Bouchon – La Cambuse
27 <sup>th</sup> Nov	Benares – Rivière St Armand – Rivière Dragon – Rivière des Anguilles

## 7.0 Main Events during the Period ended 30<sup>th</sup> June 2017

### 7.1 Educational Award Ceremony 2016 and 2017

The Educational Award Ceremony 2016 were held at the Auditorium of the University of Mauritius and the Educational Award Ceremony 2017 were held 21<sup>st</sup> March 2017 at the Auditorium of Mahatma Gandhi Institute for children who have passed the CPE Exams with a minimum of 20 units and to reward the Laureates of the Cambridge Higher School Certificate .

#### Education Award Ceremony 2017



### 7.2 TEWF Sport Activities

The TEWF had organised various sport activities namely football Tournament, mixed volleyball competition and mixed petanque festival with the objective of promoting sport & Leisure activities among its members.

Tewnty four Teams were enlisted for the Football Festival in the year 2016. The winner was **Le Paradis Hotel** and **Club Med Albion** and **Westin Turtle bay** as second and third runner up. They were awarded a cash prize of Rs20,000, Rs15,000 and Rs 10,000 respectively.

**The Winner of the TEWF Football Tournament 2016\***



**TEWF Mixed Volleyball Tournament 2016**

18 hotels have participated in the TEWF Mixed Volleyball Tournament 2016 which was held at the Pandit Sahadeo Gymnasium. The Finals were played on **Sunday 9<sup>th</sup> July 2016**. The winner was Sun ltd –West Coast and the runner up was Sun ltd – East Coast. Le Paradis Hotel was placed third.



The TEWF Mixed Pétanque Tournament was held on **Sunday 28<sup>th</sup> August 2016** at the Boulodrome of Quorum at Plaisance Rose –Hill. 30 Teams made up of 2 men and one woman each have participated in this competition and the winner was **Radisson Blue** while **Shandrani Hotel** was the runner up.

### 7.3 TEWF Activities

ACTIVITIES	NO OF HOTELS PARTICIPATED	WINNERS	RUNNER UP
<i>Housekeeping Competition</i> <i>Theme – Honeymoon</i>	18	<i>Le Shandrani</i>	<i>Lux Grand Gaube</i>
<i>Cocktail Competition</i>	13	<i>Heritage le Telfair Resort</i>	<i>Lux le Morne</i>
<i>Pastry Chef Challenge</i>	12	<i>Pearle Beach Resort</i>	<i>Ambre Hotel</i>
<i>Ice Carving Demonstration</i>	4	<i>Ambre Hotel Sugar Beach Resort Le Canonnier</i>	
<i>Front Office Competition</i>	13	<i>Lux Grand Gaube</i>	<i>St Regis</i>
<i>Table Dressing Competition</i> <i>Theme- Casino night</i>	10	<i>Lux Grand Gaube</i>	<i>Lux Belle Mare</i>
<i>Chef Challenge 2016</i>		<i>Le Canonnier hotel</i>	<i>Lux Grand Gaube</i>



*TEWF Cocktail competition*



*TEWF Pastry Chef*



*Ice Carving Demonstration*



*Winner Housekeeping Competition*



*Winner Front Office Competition*



*Winner Table Dressing Competition*



*Table Dressing –Theme Casino*



*Winner TEWF Chef Challenge*



#### 7.4 Conference on “Science and Modern Cooking” and an Award Ceremony for “Long Culinary Service to the Tourism Industry”

The Tourism Employees Welfare Fund in collaboration with the Mauritius Chefs Association organized a conference on “Science and Modern cooking” and an Award Ceremony for “Long Culinary Service to the Tourism Industry” on the occasion of the International Chefs Day on Thursday 13<sup>th</sup> October 2016 at Calodyne sur Mer hotel.

One hundred and twenty five chefs from various tourism institutions took part in this conference.



#### 7.5 TEWF Sponsored Course

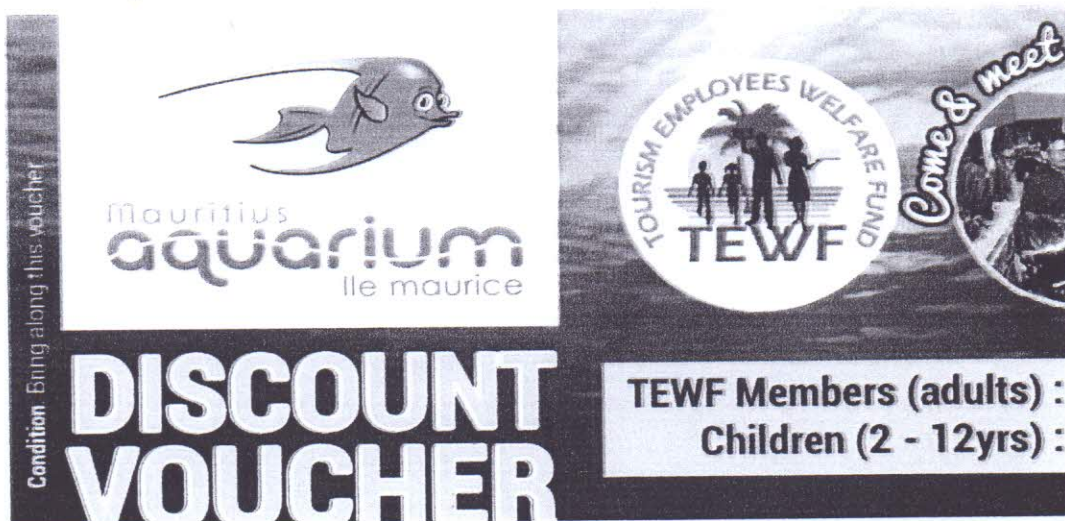
The TEWF had carried out a basic language course for the employees working in the Tourism Industry. Two hundred and eighty six participants have been sponsored in language course in 2016 as follows:

<b>Courses offered by TEWF</b>	
1	Mandarin Chinese Language for Hospitality
2	Mandarin Chinese Language for Travel & tour Operators
3	Improving English Oral and written Communication – hospitality Sector
4	German Culture at a Glance for Hospitality Industry

5	Lasst uns Deutsch lernern = lets learn German
6	Perfectionner son Français à l'oral et à écrit
7	Chinese Culture at a Glance for Hospitality Industry
8	Mandarin Ni Hao Part 1
9	Mandarin Ni Hao Part 2

### **7.6 TEWF & Mauritius Aquarium**

Members of TEWF and their families benefited from a special discount from Mauritius Aquarium. Vouchers were sent to all tourism enterprises by mail so that it may be printed, stamp and shared among employees of the tourism sector.



### **7.7 Run for Health – 2<sup>nd</sup> Edition**

The TEWF had organized the second edition of Run for Health during the official opening of a Health Track at Priest Peak Mountain in Port Louis. More than 1200 persons participated in this activity.

### 7.8 TEWF Activities at Rodrigues

The TEWF had organised three training courses in (i) Housekeeping (ii) Bar Service (iii) Science and Culinary Art at Rodrigues in collaboration with the Sir Gaëtan Duval Hotel School and the Mauritius Chef Association. Also the following competition were organised for the employees of the tourism enterprise in Rodrigues.

<b>Rodrigues Chef Challenge</b>	The competition consisted of; (a) Starter (patate douce) (b) A main course comprising local fish as the base with vegetables (c) A dessert with pawpaw Number of Participants; 15	<b>Winner :</b> <i>Marie Annaelle</i> <i>Patricia Bagboot Rs 15,000</i> <b>Runner Up :</b> <i>Periasamy Marie</i> <i>Rosianne - Rs 9, 000</i>
<b>Rodrigues Cocktail Competition</b>	Participants were asked to prepare a cocktail with local rum Number of Participants:15	<b>Winner:</b> <i>Larose Jean Fleurino - Rs 5 000</i> <b>Second Place:</b> <i>Begue Dorice -Rs 3 000</i>
<b>Other TEWF Activities at Rodrigues</b>	A Sensitisation Campaign on the activities of the TEWF at Rodrigues was also carried out during the visit. Presentation and meeting with members were carried out in different tourist enterprises around the island	
<b>First Aid Course</b>	The TEWF has sponsored a first aid course on request from the management of Cotton Bay hotel for 15 participants	<i>Mauritius Red Cross of Rodrigues branch</i>

<p>Housekeeping Competition</p>	<p>Housekeeping Competition was held on Thursday 28<sup>th</sup> of April at Cotton Bay Hotel                  Theme_ to prepare a room for honeymooners                  Number of Participants; 14</p>	<p><b>Winner:</b>                  Marie Olivia Andre                  Rs 5 000</p> <p><b>Second Place:</b>                  Ramdally-Flore                  Marie Jacqueline Rs 3 000</p>
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*Winner Rodrigues Challenge*



*Winner Cocktail Competition*



*Sensitisation Campaign@ Bakwa Lodge*



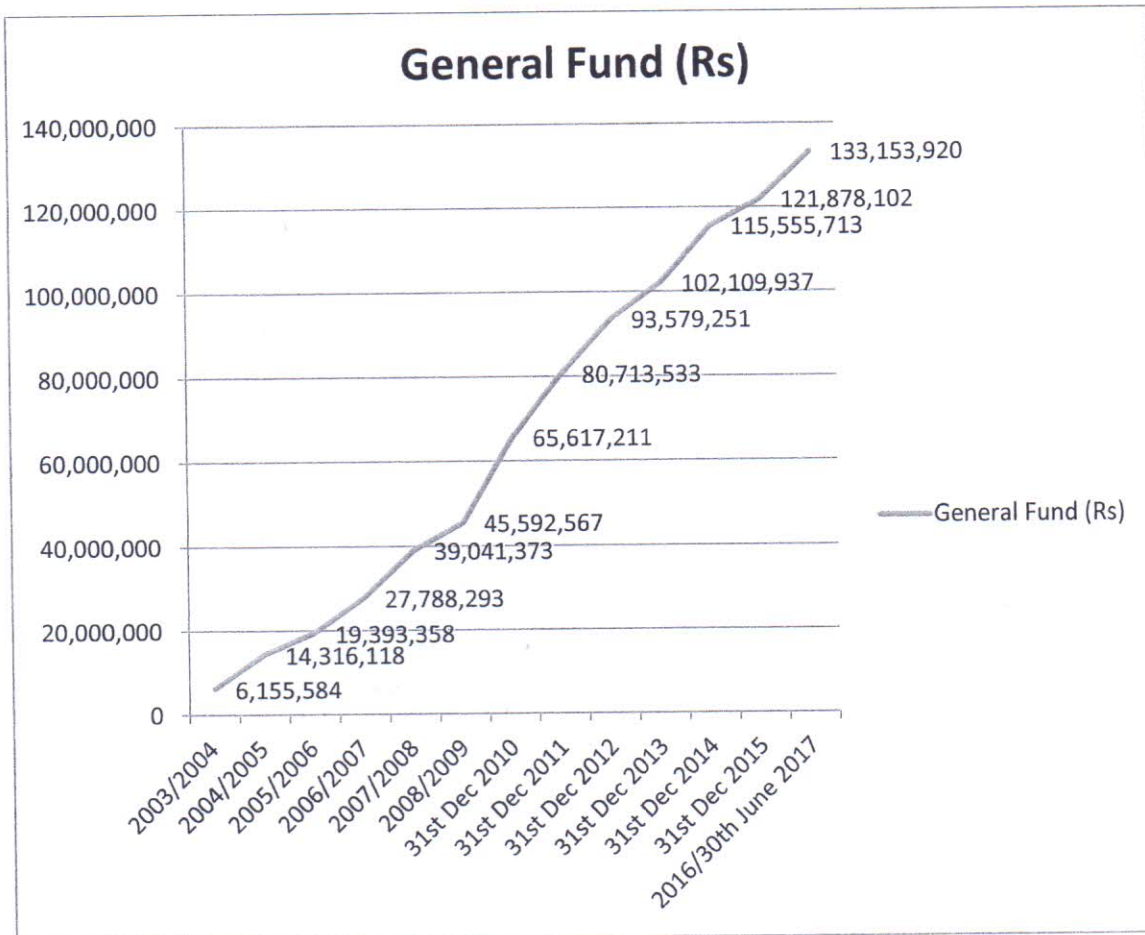
*Winner Housekeeping Competition*

### 8.0 Financial Results

The Financial Statement for the 18<sup>th</sup> month period ended 30<sup>th</sup> June 2017 shows a total income of Rs 58,531,322 compared to a total expenditure of Rs 47,255,504. The surplus of income over expenditure amounted to Rs 11,275,818.

### 8.1 General Fund

The General Fund has been increasing each year as follows:



## 8.2 Attendance at Meetings/Fees Paid

The Board met on 11 occasions during the period 1<sup>st</sup> January 2016 to 30<sup>th</sup> June 2017, while the Programme and Welfare Committee met for 6 sittings. The staff committee met on one occasion. The attendance of the individual members and fees paid were as follows:-

S.N	NAME OF MEMBERS	Board Meeting	Finance Cmttee	Staff Cmttee	Amount paid
	Mr Gilwyn L'assiette	6			284,608
	Mr R.Moolye	8	5		124,414
	Mrs S.Gowrydoss	9			8,010
	Mrs E.W.Doomun	6	6		11,960
	Mr V.K.Mudhoo and other representatives	7	2		7,860
	Mr. D. Saramandif	9	1	1	9,640
	Mr C.Jhurry	11			9,790
	Mr C.Angseesing	4	3		6,005
	Mr Vikash Aodhoora	8			7,120
	Mr Jayen Moorghen	7			6,230
	Mr C.Jowaheer and other representatives	7			6,230
	Mrs Hansa Manju and other representatives	6			5,340
	Mr Keswar Gujudhur	6	6	1	11,860

**Note: An Anti-Corruption Committee was held on 19<sup>th</sup> April 2016.**

### **8.3 Corporate Governance**

The Board and Management of the Fund are fully supportive and committed to the principles of integrity, transparency and professionalism as recommended by the Code of Corporate Governance. The Fund also strives to ensure that all activities are conducted in such a way so as satisfy the characteristics of good corporate governance namely; Discipline, transparency, independence, accountability, responsibility and fairness.

The Board also reports that:

- It is its responsibility to prepare financial statements that fairly present the state of affairs of the Fund as at end of the financial year and the surplus /(deficit) and cash flows for the period;
- The external auditors are responsible for the reporting on whether the financial statements are fairly presented:
- Adequate accounting records and effective system of internals and risk management have been maintained;
- Appropriate accounting policies supported by reasonable and prudent judgment and estimates have been used consistently;
- Applicable accounting standards have been adhered to;
- The code of corporate Governance has been adhered to.

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### **8.3.1 Statement of Board members responsibilities in respect of the Financial Statements**

The Act requires TEWF to prepare financial statements for each year which give a true and fair view of the state of affairs and of the income and expenditure of the TEWF. In preparing the financial statements, the Board members are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgment and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the TEWF will continue in business.

The Board members confirm that they have complied with the above requirements in preparing the financial statements for the period ended 30<sup>th</sup> June 2017.

The Board members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the TEWF and to enable them to ensure that the financial statements comply with the Act and applicable standards.

They are responsible for safeguarding the assets of the TEWF and hence for taking reasonable steps for the prevention and detection of fraud and any irregularities.

### **8.4 Internal Audit Function**

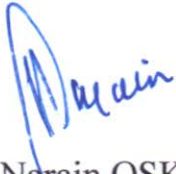
The internal audit function is an independent appraisal and consulting activity established with the TEWF to add value, examine and evaluate its activities.

The objectives are to assist members of the TEWF's management and it's Board in the effective discharge of their responsibilities by providing them with analysis, appraising, recommendations, counsel information concerning the activities reviewed and promoting effective control at a reasonable cost.



### 8.5 Auditors

The auditor of TEWF is the Director of National Audit Office.



C.R. Narain OSK  
**Chairperson**



Rechad Moolye  
**Board Member**

**Date: 25<sup>th</sup> July 2018**



**TOURISM EMPLOYEES WELFARE FUND**

6th Floor, Victoria House, Cnr Barracks & St Louis streets, Port Louis

E-mail: [tewfund@intnet.mu](mailto:tewfund@intnet.mu) Web site: <http://www.tewf.mu>

Tel: 211 4343 Fax: 213 5462

**FINANCIAL STATEMENTS**  
**FOR THE 18-MONTH PERIOD ENDED**  
**30 JUNE 2017**

# TOURISM EMPLOYEES WELFARE FUND

## STATEMENT OF FINANCIAL POSITION

*as at 30 June 2017*

		<u>30-Jun-17</u>	<u>31-Dec-15</u> <u>(Restated)</u>
	Notes	Rs	Rs
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
PROPERTY , PLANT AND EQUIPMENT	6	1,852,798	1,976,961
INTANGIBLE ASSETS	7	128,993	3,807
INVESTMENTS	9	-	45,000,000
LOANS RECEIVABLES	10	26,678,096	8,029,447
		<b>28,659,887</b>	<b>55,010,215</b>
<b>CURRENT ASSETS</b>			
INVENTORIES	11	57,788	50,408
ACCOUNTS RECEIVABLE	12	42,537,516	2,248,758
LOANS RECEIVABLES	10	17,525,575	13,035,356
INVESTMENTS	9	-	10,000,000
CASH AND CASH EQUIVALENTS		55,692,604	46,992,441
		<b>115,813,483</b>	<b>72,326,963</b>
<b>TOTAL ASSETS</b>		<b>144,473,370</b>	<b>127,337,178</b>
<b>EQUITY AND LIABILITIES</b>			
<b>CAPITAL AND RESERVES</b>			
GENERAL FUND		133,153,920	121,878,102
<b>TOTAL EQUITY</b>		<b>133,153,920</b>	<b>121,878,102</b>
<b>NON CURRENT LIABILITIES</b>			
LONG TERM EMPLOYEE BENEFITS	13	1,779,586	1,489,011
RETIREMENT BENEFIT OBLIGATIONS	8	1,848,256	1,325,257
		<b>3,627,842</b>	<b>2,814,268</b>
<b>CURRENT LIABILITIES</b>			
ACCOUNTS PAYABLE	14	7,691,608	2,644,808
		<b>7,691,608</b>	<b>2,644,808</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>144,473,370</b>	<b>127,337,178</b>

The notes on pages 5 to 18 form part of these financial statements.

Approved by Board on <u>25<sup>th</sup> July 2018</u>
Chairperson : <u>[Signature]</u>
Board Member : <u>[Signature]</u>

# TOURISM EMPLOYEES WELFARE FUND

## STATEMENT OF FINANCIAL PERFORMANCE

*18-month Period Ended 30 June 2017*

		<u>18-month Period Ended 30 Jun 2017</u>	<u>Year Ended 31 Dec 2015 (Restated)</u>
	Notes	Rs	Rs
<b>INCOME</b>			
CONTRIBUTIONS		54,250,545	22,238,157
OTHER INCOME	15	4,280,777	2,391,483
<b>TOTAL INCOME</b>		<b>58,531,322</b>	<b>24,629,640</b>
<b>EXPENDITURE</b>			
GRANT SCHEMES	16	12,978,025	6,006,128
STAFF COSTS	17	10,840,292	6,423,556
ADMINISTRATIVE EXPENSES	18	6,127,008	2,870,981
IMPAIRMENT LOSS		16,500,000	-
DEPRECIATION AND AMORTISATION EXPENSE	6&7	810,179	425,353
<b>TOTAL EXPENDITURE</b>		<b>47,255,504</b>	<b>15,726,018</b>
<b>PROFIT FOR THE PERIOD</b>		<b>11,275,818</b>	<b>8,903,622</b>

# TOURISM EMPLOYEES WELFARE FUND

## STATEMENT OF CHANGES IN EQUITY

*18-month Period Ended 30 June 2017*

	<b>General Fund Rs</b>
<b>Balance as at 31 Dec 2014</b>	<b>115,555,713</b>
Prior Year Adjustment - Interest Receivable Written-Off	(2,581,233)
Surplus for the year	8,903,622
<b>Balance as at 31 Dec 2015 (Restated)</b>	<b>121,878,102</b>
Surplus for the period	11,275,818
<b>Balance as at 30 Jun 2017</b>	<b>133,153,920</b>

# TOURISM EMPLOYEES WELFARE FUND

## STATEMENT OF CASH FLOWS

18-month Period Ended 30 June 2017

	<u>18-month</u> <u>Period Ended</u> <u>30 Jun 2017</u>	<u>Year Ended</u> <u>31 Dec 2015</u> <u>(Restated)</u>
	Rs	Rs
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Surplus/ (Deficit)	11,275,818	8,903,622
Adjustment for:		
Depreciation and amortisation expense	810,179	425,353
(Gain) / Loss on write-off of fixed assets	28,220	(472)
Impairment Loss	16,500,000	-
Provision for bad debt	1,367,124	-
Sick leave	290,575	97,849
Retirement Benefit Obligation	522,999	271,895
Interest Receivable	(2,200,574)	(1,797,371)
<b>Operating Surplus/ (Deficit) before Working Capital changes</b>	<b>28,594,342</b>	<b>7,900,876</b>
<b>Changes in Working Capital:</b>		
(Increase)/Decrease in Receivables	(1,788,759)	(270,685)
(Increase)/Decrease in loan Receivables	(24,505,991)	2,119,492
(Increase)/ Decrease in Inventories	(7,380)	8,418
Increase/(Decrease) in Payables	5,046,800	63,893
<b>NET CASH GENERATED FROM OPERATIONS</b>	<b>7,339,011</b>	<b>9,821,994</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, plant and Equipment	(839,423)	(96,220)
Proceeds from Investment	-	5,000,000
Held to maturity investments	-	(20,000,000)
Interest Received	2,200,574	1,797,371
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>1,361,151</b>	<b>(13,298,849)</b>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENT</b>	<b>8,700,163</b>	<b>(3,476,855)</b>
<b>CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE YEAR</b>	<b>46,992,441</b>	<b>50,469,296</b>
<b>CASH AND CASH EQUIVALENT AT THE END OF THE PERIOD</b>	<b>55,692,604</b>	<b>46,992,441</b>

*Note: An amount of RS 38.5M will be available for use as from October 2017 upon a settlement of the amount invested in Bramer Assets Management Ltd.*

# **TOURISM EMPLOYEES WELFARE FUND**

NOTES TO FINANCIAL STATEMENTS FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017

## **1. GENERAL INFORMATION**

The Tourism Employees Welfare Fund was established by the Tourism Employees Welfare Fund Act 2002 with object to set up schemes and projects and, generally, to carry out such activities as may be considered desirable for promoting the welfare of employees of tourism enterprises and their families. These include marriage gift, parental gift, retirement gift and different types of loans at low interest rate, as well as outdoor activities such as family day, sports day and hiking.

## **2. REGISTERED OFFICE**

The office of the Tourism Employees Welfare Fund is situated at 6<sup>th</sup> floor, Victoria House, Cnr Barracks & St Louis streets, Port Louis.

## **3. BASIS OF MEASUREMENT**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standards for Small Entities.

The going concern basis has been adopted.

The Financial Statements are presented in Mauritian rupees.

## **4. SIGNIFICANT ACCOUNTING POLICIES**

### **4.1 Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost less accumulated depreciation and any recognised impairment losses. Depreciation is calculated on a pro-rata basis in the year of acquisition while no depreciation is charged in the year of sales or write-off.

# TOURISM EMPLOYEES WELFARE FUND

## NOTES TO FINANCIAL STATEMENTS FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017

Depreciation is calculated to write off the cost of the assets on a straight-line basis over the estimated useful lives as follows:

SN	CATEGORY	LIFETIME	DEPRECIATION RATE
1	Computer Equipment	4 years	25%
2	Office Equipment	5 years	20%
3	Furniture and Fittings	10 years	10%
4	Motor Vehicles	10 years	10%
5	Intangible Assets	3 years	33%

### 4.2 Financial Instruments - Investments

Deposits with the fixed interest rates and maturity dates that the Tourism Employees Welfare Fund has the positive intent to hold to maturity are classified as Held-to-Maturity investments.

### 4.3 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by First In First Out method (FIFO). Net realizable value is the estimate of the selling price in the ordinary course of business, less selling expenses.

### 4.4 Cash and Cash Equivalents

Cash and Cash Equivalents comprise of bank balances and cash in hand.

### 4.5 Retirement and Other Benefit Obligations

#### 4.5.1 *Defined benefit pension plan*

Provision for retirement pension benefits is made under the Statutory Bodies Pension Funds Act of 1978 as amended. The scheme is a Defined benefit pension plan and its assets are managed by State Insurance Company of Mauritius (SICOM) Ltd.

The cost of providing benefits is actuarially determined using the projected unit credit method (see note 8).

The present value of funded obligations is recognised in the Statement of Financial Position as a non-current liability after adjusting for the fair value of plan assets, any actuarial gains and losses and any current or past service cost. The valuation of these obligations is carried out on a regular basis by the actuarial services of SICOM Ltd.



# TOURISM EMPLOYEES WELFARE FUND

## NOTES TO FINANCIAL STATEMENTS FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017

The current service cost and any recognised past service cost are included in the income statement as an expense together with the associated interest cost; whereas the remeasurements of the net defined benefit liability or asset, comprising of actuarial gains and losses, return on plan assets and any changes in the effect of the asset ceiling is recognised as Other Comprehensive Income.

### *4.5.2 Defined Contribution Pension Scheme for new entrants as from 1 January 2013*

The PRB has recommended at para. 15.91 to 15.95 of its 2013 Report a single Defined Contribution (DC) Pension scheme for new entrants to the Public Sector as from 01 January 2013.

### *4.5.3 State Plan and Defined Contribution Plans*

Contributions to the National Pensions Schemes, Family Protection Schemes and National Savings Fund are expensed in the same financial year.

### *4.5.4 Long-term Employee Benefits*

Employees entitlement to sick leaves, are recognized as and when they are accrued to employees.

This is being recognized as a non-current liability in the financial statements with the comparative amount for the previous period (see Note 13).

### *4.5.5 Passage Benefits*

Passage Benefits are earned and accumulated yearly by employees according to set criteria and fall due at short notice. They are therefore classified as short-term benefits and are measured at their nominal amount. Amounts paid are expensed during the period and amounts not paid are accrued and recognized as a liability. The carrying amount is re-measured each year after taking into account amount paid and earned during the period (see Note 14).

# **TOURISM EMPLOYEES WELFARE FUND**

NOTES TO FINANCIAL STATEMENTS FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017

## **4.6 Comparative Figures**

The Financial Statements have been exceptionally prepared for the 18-month period ended 30 June 2017 as per statutory amendments. Consequently, the figures for the current financial period are not comparable with those of the previous financial year.

## **4.7 Revenue recognition**

Revenue on account of contribution from tourism employees applicable for the period of account is recognized on a cash basis. However, at the time of preparation of account, contribution received after the 18-months period ended 30 June 2017 has been accrued in order to arrive at the actual contribution figure.

## **4.8 Interest Receivables**

Interest receivable on investments and bank deposits are accrued. However, interest on loan to employees is recognized on a cash basis.

## **4.9 Trade and Other Receivables**

This mainly includes contribution in arrears, loans and interest.

These are recognized on a cost basis taking into consideration provision for bad and doubtful debts. A provision for bad debt of 3% on outstanding loan balance, has been made for the period under review.

## **4.10 Expenses**

All expenses incurred are accrued in the accounts.

## **4.11 Capital Commitments**

Management has renewed for a further three-year period rental agreement as from 09 July 2015. Rental payable under operating leases are recognized to the Statement of Financial Performance on an accrual basis.

## **4.12 Critical accounting and key sources of estimation uncertainty**

In the application of the Tourism Employees Welfare Fund's accounting policies, as described in the note above, Management and the Board are required to make judgements, estimates and assumptions about carrying amounts of assets and liabilities that are not readily apparent from

# TOURISM EMPLOYEES WELFARE FUND

## NOTES TO FINANCIAL STATEMENTS FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017

other sources. Judgements and assumptions are continuously evaluated and are based on historical experience and other factors considered being reasonable and relevant under the circumstances. The actual results could therefore differ from these estimates.

The notes to the financial statements set out, where applicable, the areas where Management has applied a degree of judgement that have a significant effect on the amounts that are recognized in the financial statements.

### 5 RISK MANAGEMENT POLICIES

The Tourism Employees Welfare Fund is subject to various types of risks. A description of each type of the risk is given below as well as the measures adopted by Management to control and to mitigate them.

#### 5.1 Credit Risk

Credit risk is the risk of loss due to a debtor's non-payment of a loan or other line of credit. Loans are provided to employees of tourism enterprises after assessment of credit worthiness. In order to mitigate and to minimise this type of risk, the organization keeps a track record of each borrower, grant one type of loan at a time and has established a close monitoring system.

#### 5.2 Liquidity Risk

Liquidity Risk is the risk to an organization's earnings and capital arising from its inability to meet timely obligations when they become due without incurring unacceptable losses. Management must ensure that sufficient funds are available at a reasonable cost to meet potential demands. Hence, cash flow forecast are prepared regularly. Moreover, bank loan facilities are available to meet obligations.

#### 5.3 Interest Rate Risk

Interest rate risk is the current and prospective risk to earnings or capital arising from movements in the interest rates. Changes in interest rates affect income earned from assets and the cost of funding those assets. In order to mitigate this type of risk, the organization prefers to invest in the longterm deposit at a fixed interest rate rather than short term investment at floating rates.

## TOURISM EMPLOYEES WELFARE FUND

### NOTES TO THE FINANCIAL STATEMENTS

18-month Period Ended 30 June 2017

#### 6 PROPERTY, PLANT AND EQUIPMENT

	COMPUTER EQUIPMENT	OFFICE EQUIPMENT	FURNITURE, FIXTURES AND FITTINGS	MOTOR VEHICLE	TOTAL
	Rs	Rs	Rs	Rs	Rs
<b>COST</b>					
1 January 2016	1,022,169	578,337	1,164,871	1,428,000	4,193,377
Additions	546,900	49,875	40,138	-	636,913
Written-off	(251,256)	(175,886)	(88,880)	-	(516,022)
30 June 2017	1,317,813	452,326	1,116,129	1,428,000	4,314,268
<b>DEPRECIATION</b>					
1 January 2016	870,018	442,344	571,898	332,157	2,216,417
Charge for the period	281,556	81,016	156,083	214,200	732,855
Written-off	(249,404)	(175,886)	(62,512)	-	(487,802)
30 June 2017	902,170	347,474	665,469	546,357	2,461,470
<b>CARRYING AMOUNT</b>					
30 June 2017	415,643	104,852	450,660	881,643	1,852,798
31 December 2015	152,151	135,993	592,974	1,095,843	1,976,961

#### 7 INTANGIBLE ASSETS

	Computer Software Rs
<b>COST</b>	
1 January 2016	242,640
Additions	202,510
30 June 2017	445,150
<b>AMORTISATION</b>	
1 January 2016	238,833
Charge for the period	77,324
30 June 2017	316,157
<b>CARRYING AMOUNT</b>	
30 June 2017	128,993
31 December 2015	3,807

# TOURISM EMPLOYEES WELFARE FUND

## NOTES TO THE FINANCIAL STATEMENTS

18-month Period Ended 30 June 2017

### 8 RETIREMENT BENEFIT OBLIGATIONS

	18-month Period ended 30 Jun 2017 Rs	Year ended 31 Dec 2015 Rs
<b>Defined Benefit Pension Plan</b>		
<b>Amounts recognised in Statement of Financial Position at end of year:</b>		
Defined benefit obligation	6,851,693	4,937,886
Fair value of plan assets	(5,003,437)	(3,612,630)
<b>Liability recognised in Balance Sheet at end of year</b>	<b>1,848,256</b>	<b>1,325,256</b>
<b>Amounts recognised in Income Statement:</b>		
Service cost:		
Current service cost	742,519	401,548
Past service cost	-	-
(Employee contributions)	(377,576)	(224,762)
Fund expenses	21,485	11,812
Net Interest expense/(income)	78,276	55,879
<b>P &amp; L Charge</b>	<b>464,704</b>	<b>244,477</b>
<b>Remeasurement</b>		
Liability (gain) / loss	705,883	181,387
Assets (gain) / loss	57,222	265,587
<b>Total Other Comprehensive Income (OCI) recognised in staff cost</b>	<b>763,105</b>	<b>446,974</b>
<b>Total</b>	<b>1,227,809</b>	<b>691,451</b>
<b>Movements in liability recognised in Statement of Financial Position:</b>		
At start of year	1,325,256	1,053,362
Amount recognised in P & loss	464,704	244,477
(Contributions paid by employer)	(704,809)	(419,556)
Amount recognised in OCI	763,105	446,974
<b>At end of year</b>	<b>1,848,256</b>	<b>1,325,256</b>
<b>Actual return on plan assets:</b>	<b>354,088</b>	<b>37,354</b>

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.

# TOURISM EMPLOYEES WELFARE FUND

## NOTES TO THE FINANCIAL STATEMENTS

*18-month Period Ended 30 June 2017*

### 8 RETIREMENT BENEFIT OBLIGATIONS (Continued)

	18-month Period ended 30 June 2017 Rs	Year ended 31 Dec 2015 Rs
<b>Defined Benefit Pension Plan</b>	<b>Rs</b>	<b>Rs</b>
<b>Reconciliation of the present value of defined benefit obligation</b>		
Present value of obligation at start of period	4,937,886	4,065,889
Current service cost	742,519	401,548
Interest cost	481,444	304,942
(Benefits paid)	(16,039)	(15,880)
Liability (gain)/loss	705,883	181,387
Present value of obligation at end of period	6,851,693	4,937,886
<b>Reconciliation of fair value of plan assets</b>		
Fair value of plan assets at start of period	3,612,630	3,012,527
Expected return on plan assets	403,168	249,063
Employer contributions	704,809	419,556
Employee contributions	377,576	224,762
(Benefits paid + other outgo)	(37,524)	(27,692)
Asset gain/(loss)	(57,222)	(265,587)
Fair value of plan assets at end of period	5,003,437	3,612,630
<b>Distribution of plan assets at end of period</b>		
<i>Percentage of assets at end of year</i>	<b>Jun-17</b>	<b>Dec-15</b>
Government securities and cash	56.6%	58.1%
Loans	4.4%	4.3%
Local equities	15.8%	15.9%
Overseas bonds and equities	22.6%	21.0%
Property	0.6%	0.7%
Total	100.0%	100.0%
<b>Additional disclosure on assets issued or used by the reporting entity</b>		
<i>Percentage of assets at end of year</i>	<b>Jun-17</b>	<b>Dec-15</b>
	(%)	(%)
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
<b>Components of the amount recognised in OCI</b>		
<b>Year</b>	<b>Jun-17</b>	<b>Dec-15</b>
<b>Currency</b>	<b>Rs</b>	<b>Rs</b>
Asset experience gain/(loss) during the period	(57,222)	(265,587)
Liability experience gain/(loss) during the period	(705,883)	(181,387)
	(763,105)	(446,974)
<b>Year</b>	<b>2017/2018</b>	
Expected employer contributions (Estimate to be reviewed by Tourism Employees Welfare Fund)	502,502	
Weighted average duration of the defined benefit obligation (Calculated as a % change in PV of liabilities for a 1% change in discount rate)	27 years	

# TOURISM EMPLOYEES WELFARE FUND

## NOTES TO THE FINANCIAL STATEMENTS

18-month Period Ended 30 June 2017

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### 8 RETIREMENT BENEFIT OBLIGATIONS (Continued)

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:

	18-month period	
	ended 30 Jun 2017	Year ended 31 Dec 2015
Discount rate	6.50%	7.50%
Future salary increases	4.00%	5.00%
Future pension increases	3.00%	3.00%
Mortality before retirement	A 6770 Ultimate Tables	
Mortality in retirement	PA (90) Tables rated down by 2 years As per second Schedule in the Statutory Bodies Pension Funds Act	
Retirement Age		

The discount rate is determined by reference to market yields on bonds.

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

- If the discount rate would be 100 basis points (one percent) higher (lower), the defined benefit obligation would decrease by Rs 1.4M (increase by Rs 1.8M) if all other assumptions were held unchanged.

- If the expected salary growth would increase (decrease) by 100 basis points, the defined benefit obligation would increase by Rs 1.3M (decrease by Rs 1.1M) if all assumptions were held unchanged.

- If life expectancy would increase (decrease) by one year, the defined benefit obligation would increase by Rs 0.16M (decrease by 0.16M) if all assumptions were held unchanged.

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

## TOURISM EMPLOYEES WELFARE FUND

### NOTES TO THE FINANCIAL STATEMENTS

*18-month Period Ended 30 June 2017*

#### 9 INVESTMENTS

Items	18-month Period ended 30 Jun 2017 Rs	Year ended 31 Dec 2015 Rs
Short Term	-	10,000,000
Long Term	-	45,000,000
<b>Total</b>	-	<b>55,000,000</b>

A total amount of Rs 55 million was previously invested in the Bramer Assets Management Ltd. In October 2017, only an amount of Rs 38.5 million was settled as full and final payment on the investment of Rs 55M. At its 170th Board Meeting held on 28th March 2018, Board approved that the difference of Rs16.5 million to be recognised as impairment loss and the interest receivable amounting to Rs10,440,000 to be written off (accounted as prior year adjustment of Rs 2,581,233; Rs 3,488,931 and Rs 4,369,836 adjusted against 'Other Income' for the year/18 months period ended 30 June 2015 and 30 June 2017 respectively).

#### 10 LOANS RECEIVABLES

Items	18-month Period ended 30 Jun 2017 Rs	Year ended 31 Dec 2015 Rs
Multipurpose	43,502,843	19,542,503
Computer	216,266	304,197
Motorcycle	392,671	1,159,380
SC / HSC Loan	25,495	29,666
Educational Loan	114,034	-
Travel Loan	1,290,325	-
Loan Educational	29,161	29,057
	<b>45,570,795</b>	<b>21,064,803</b>

#### 10 LONG TERM LOANS RECEIVABLES

Items	18-month Period ended 30 Jun 2017 Rs	Year ended 31 Dec 2015 Rs
Total loans	45,570,795	21,064,803
Provision for Bad Debt	(1,367,124)	-
	<b>44,203,671</b>	<b>21,064,803</b>
Less amount receivable within one year	17,525,575	13,035,356
Amount receivable after one year	26,678,096	8,029,447



# TOURISM EMPLOYEES WELFARE FUND

## NOTES TO THE FINANCIAL STATEMENTS

*18-month Period Ended 30 June 2017*

### 11 INVENTORIES

Items	18-month Period ended 30 Jun 2017	Year ended 31 Dec 2015
	Rs	Rs
Repairs & Maintenance- Office Equipment	44,408	37,885
Printing & Stationery	13,380	12,523
<b>Total</b>	<b>57,788</b>	<b>50,408</b>

### 12 ACCOUNTS RECEIVABLE

Items	18-month Period ended 30 Jun 2017	Year ended 31 Dec 2015 (Restated)
	Rs	Rs
Investment Receivable	38,500,000	-
Contribution in arrears	2,750,208	1,615,490
Car Loan Receivable	991,804	470,487
Sundry Receivables & Prepayments	171,837	80,649
Contribution receivable within 1 year	123,667	82,132
<b>Total</b>	<b>42,537,516</b>	<b>2,248,758</b>

### 13 LONG TERM EMPLOYEE BENEFITS

Employee benefits represent sick leaves accrued by staff and payable either on retirement or on resignation.

Items	18-month Period ended 30 Jun 2017	Year ended 31 Dec 2015
	Rs	Rs
Total sick leave benefits	1,779,586	1,672,723
Less amount falling due within one year	-	(183,713)
<b>Amount due after one year</b>	<b>1,779,586</b>	<b>1,489,011</b>

# TOURISM EMPLOYEES WELFARE FUND

## NOTES TO THE FINANCIAL STATEMENTS

*18-month Period Ended 30 June 2017*

### 14 ACCOUNTS PAYABLE

Items	18-month Period ended 30 Jun 2017 Rs	Year ended 31 Dec 2015 Rs
Other payables and accruals	290,750	80,805
Contribution prepaid	230,353	59,068
Loan Overpaid	232,315	-
Interest, Admin & Insurance Receivable on Loan	6,518,264	1,911,314
Passage Benefits	269,926	134,909
Sick Leaves	-	183,713
Audit fees	150,000	275,000
<b>Total</b>	<b>7,691,608</b>	<b>2,644,808</b>

### 15 OTHER INCOME

Items	18-month Period ended 30 Jun 2017 Rs	Year ended 31 Dec 2015 (Restated) Rs
Interest received	-	550,926
Interest receivable on Loans	2,200,574	1,246,445
Interest Received on car loan	50,919	-
Administration fees	1,341,129	395,762
Sundry income	69,761	86,343
Insurance	618,394	111,535
Gain on Write-off	-	472
<b>Total</b>	<b>4,280,777</b>	<b>2,391,483</b>

## TOURISM EMPLOYEES WELFARE FUND

### NOTES TO THE FINANCIAL STATEMENTS

*18-month Period Ended 30 June 2017*

#### 16 GRANT SCHEMES

Items	18-month Period ended 30 Jun 2017 Rs	Year ended 31 Dec 2015 Rs
Marriage Gift	1,931,000	912,000
CPE Grant	1,806,000	502,000
Death Grant	480,000	200,000
Death Grant Dependant Relative	170,000	145,000
Training	487,360	547,600
Leisure Activities	2,673,065	973,378
Reward	1,494,600	954,150
Parental	2,214,000	916,000
Retirement Gift	1,722,000	806,000
Special Medical Assistance	-	50,000
<b>Total</b>	<b>12,978,025</b>	<b>6,006,128</b>

#### 17 STAFF COSTS

Items	18-month Period ended 30 Jun 2017 Rs	Year ended 31 Dec 2015 Rs
Salaries	6,537,813	3,792,598
Allowances to officers	347,780	307,249
End of year Bonus	359,489	312,749
Gratuity and Passage Benefits	286,719	148,883
Travelling Expenses	908,601	590,239
Uniforms	48,700	10,000
Overtime	46,785	29,930
NPS Contributions	120,427	64,065
FPS / Pension Contributions	590,563	319,397
Sicom Pension Fund	763,105	446,974
Sick leave	509,904	281,562
Staff Medical Insurance	170,285	105,912
Staff training	150,121	14,000
<b>TOTAL</b>	<b>10,840,292</b>	<b>6,423,556</b>

# TOURISM EMPLOYEES WELFARE FUND

## NOTES TO THE FINANCIAL STATEMENTS

*18-month Period Ended 30 June 2017*

### 18 ADMINISTRATIVE EXPENSES

Items	18-month Period ended 30 Jun 2017	Year ended 31 Dec 2015
	Rs	Rs
Loss on disposal	13,918	-
Donations	13,000	5,000
Allowance to Board Members	513,332	395,192
Board Expenses & Travelling	17,575	17,863
Rodrigues Expenses	127,210	66,346
Media and Communications	351,764	204,113
Rent	1,350,000	900,000
Cleaning Expenses	42,910	35,510
Printing, Postage and Stationery	145,612	92,500
Bank interest and charges	36,470	10,141
General Expenses	7,308	2,048
Electricity	290,841	198,478
Water	6,326	2,953
Repairs & Maintenance	392,209	227,437
Motor Vehicles Expenses	88,364	54,591
Legal, Professional, Subscription and Membership Fees	202,835	209,324
Entertainment	64,583	61,393
Advertising and promotion	84,814	9,200
Insurance	678,137	172,686
Staff Welfare	64,906	19,730
Computer Expenses	-	15,505
Audit fees	125,000	150,000
Provision for Bad Debts	1,367,124	-
Licenses	137,475	17,250
Magazines & Newspapers	5,295	3,720
<b>Total</b>	<b>6,127,008</b>	<b>2,870,981</b>