NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Republic of Mauritius is an island found in the East Coast of Madagascar. It got its independence on 12 March 1968. The country has a Westminster type of Parliamentary Government. The core vision of Mauritius in 2030 is:

- to place the country among the High-Income Countries of the world;
- to become a country where the society and the economy are inclusive, with a better sharing of prosperity, a narrower gap between the poor and rich and no families and children living in absolute poverty; and
- where the population across all strata enjoy a higher quality of life and a higher standard of living in a clean and safe environment.

Under the Finance and Audit Act, it is the responsibility of the Accountant-General to prepare the financial statements of the Government within six months of the close of every fiscal year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

A Estimates

The Estimates (Budget) of the Government is appropriated by votes of expenditure on a cash basis, except for ‘cost of borrowings’ which is appropriated on an accrual basis and ‘carry-over of capital expenditure’ where amount earmarked in a fiscal year is carried over to a period not exceeding 3 months in the following fiscal year. The Estimates is classified by both economic and functional classifications based, as far as possible, on the Government Finance Statistics Manual.

The Estimates is for the Budgetary Central Government, which includes Ministries and Government Departments. Transfers to Special Funds are appropriated and included as expenditure in the approved Estimates in the year of expenditure. However, the revenue and expenditure of the Special Funds are not included in the approved Estimates.

The approved Estimates covers the fiscal year from 1 July 2021 to 30 June 2022.

B Financial Statements

(i) Following the amendments made to the Finance and Audit Act in July 2017, the financial statements of the Government for the financial year 2022-2023 and onwards will have to be prepared in compliance with International Public Sector Accounting Standards (IPSAS).

For the financial year 2021-2022, the financial statements have been prepared in accordance with Section 19 (3A)(a) of the Finance & Audit Act 1973, as subsequently amended, that is, as far as possible in compliance with IPSAS and present fairly the financial transactions and financial position of Government as at 30 June 2022.
Accordingly, the elements of the financial statements have been accounted for as follows:

<table>
<thead>
<tr>
<th>ELEMENTS</th>
<th>ACCOUNTING BASIS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
</tr>
<tr>
<td>Revenue from Non-Exchange Transactions</td>
<td>Accrual</td>
</tr>
<tr>
<td>Revenue from Exchange Transactions (except for Dividends which are on cash basis)</td>
<td>Accrual</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
</tr>
<tr>
<td>Employee Costs</td>
<td>Accrual</td>
</tr>
<tr>
<td>Subsidies</td>
<td>Cash</td>
</tr>
<tr>
<td>Grants</td>
<td>Partial Accrual</td>
</tr>
<tr>
<td>Social Benefits</td>
<td>Accrual</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>Accrual</td>
</tr>
<tr>
<td>Depreciation and Amortisation</td>
<td>Accrual</td>
</tr>
<tr>
<td>Financial Guarantee Expense</td>
<td>Accrual</td>
</tr>
<tr>
<td>Other Expenses (excluding Other Transfer Payments)</td>
<td>Accrual</td>
</tr>
<tr>
<td>- Other Transfer Payments (except for Transfers to Regional/International Organisations, Insurance &amp; Compensation arising out of Government Liability)</td>
<td>Cash</td>
</tr>
<tr>
<td>Finance Costs</td>
<td>Accrual</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ASSETS AND LIABILITIES</th>
<th>MEASUREMENT BASIS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
</tr>
<tr>
<td>Receivables from Non-Exchange Transactions</td>
<td>At Cost Less Expected Credit Losses</td>
</tr>
<tr>
<td>Receivables from Exchange Transactions</td>
<td>At Cost Less Expected Credit Losses</td>
</tr>
<tr>
<td>Loans and Advances</td>
<td>At Cost</td>
</tr>
<tr>
<td>Investments</td>
<td></td>
</tr>
<tr>
<td>- Equity Investments and Redeemable Preference Shares</td>
<td>At Fair Value</td>
</tr>
<tr>
<td>- Other Investments</td>
<td>At Amortised Cost</td>
</tr>
<tr>
<td>Other Financial Assets</td>
<td></td>
</tr>
<tr>
<td>- IMF - SDR Deposits</td>
<td>At Cost</td>
</tr>
<tr>
<td>- IMF - Reserve Tranche Position</td>
<td>At Cost</td>
</tr>
<tr>
<td>Inventories (excluding Donated Inventories from Non-Exchange Transactions and Agricultural Produce)</td>
<td>Lower of Cost and Current</td>
</tr>
<tr>
<td>- Donated Inventories from Non-Exchange Transactions and Agricultural Produce</td>
<td>Replacement Cost</td>
</tr>
<tr>
<td><strong>Biological Assets</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Property, Plant and Equipment (excluding Land, Roads, Bridges and Donated Assets and Other Assets)</strong></td>
<td>At Fair Value</td>
</tr>
<tr>
<td><strong>At Cost</strong></td>
<td></td>
</tr>
</tbody>
</table>
### ASSETS AND LIABILITIES

<table>
<thead>
<tr>
<th>Assets</th>
<th>Measurement Basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Land</td>
<td></td>
</tr>
<tr>
<td>• Acquired before 30 June 2018</td>
<td>At a value estimated by Government Valuation Department</td>
</tr>
<tr>
<td>• Acquired after 30 June 2018</td>
<td>At Cost</td>
</tr>
<tr>
<td>- Roads and Bridges</td>
<td></td>
</tr>
<tr>
<td>• Acquired before 30 June 2020</td>
<td>At a value estimated by the Road Development Authority</td>
</tr>
<tr>
<td>• Acquired after 30 June 2020</td>
<td>At Cost</td>
</tr>
<tr>
<td>- Donated Assets</td>
<td>Initially at fair value</td>
</tr>
<tr>
<td>- Other Assets</td>
<td>At Fair Value</td>
</tr>
</tbody>
</table>

### Liabilities

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>Measurement Basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payables</td>
<td>At Cost</td>
</tr>
<tr>
<td>Deposits</td>
<td>At Cost</td>
</tr>
<tr>
<td>Government Debt</td>
<td></td>
</tr>
<tr>
<td>• Domestic Debt and External Debt (except for Silver Retirement/Savings Bonds which are recognised at cost plus accrued interest)</td>
<td>At Amortised Cost</td>
</tr>
<tr>
<td>• IMF - SDR Allocations</td>
<td>At Cost</td>
</tr>
<tr>
<td>Financial Guarantee Liabilities</td>
<td>At the higher of the best estimate of expenditure required to settle the liability and the amount initially recognised less cumulative amortisation</td>
</tr>
<tr>
<td>Social Benefits Liabilities</td>
<td>At Cost</td>
</tr>
<tr>
<td>Provisions</td>
<td>At Cost</td>
</tr>
<tr>
<td>Employee Benefit Obligations</td>
<td></td>
</tr>
<tr>
<td>• Short-Term Employee Benefits</td>
<td>At Cost</td>
</tr>
<tr>
<td>• Post-Employment Benefits (except Defined Benefit Plans)</td>
<td>At Cost</td>
</tr>
<tr>
<td>• Defined Benefit Plans</td>
<td>At an amount estimated by an independent actuary</td>
</tr>
</tbody>
</table>

(ii) The accounting policies have been applied consistently throughout the year. Where necessary and where it is practicable, comparative figures have been restated to conform to changes in presentation, or in accounting policies in the current year.
2.2 Reporting Entity

The financial statements are for the Budgetary Central Government of the Republic of Mauritius, which comprises Ministries, Government Departments and Special Funds’ bank balances and investments.

2.3 Reporting Period

The financial statements cover the financial year of the Government of Mauritius from 01 July 2021 to 30 June 2022.

2.4 Authorisation Date

The financial statements were authorised for issue on 29 December 2022 by Mr. S.D. Ramdeen, the Accountant-General.

2.5 Foreign Currencies

(i) Functional and Presentation Currency

The financial statements are presented in Mauritian Rupees (Rs), rounded to the nearest rupee, which is also the functional currency.

(ii) Transactions and Balances

Transactions in foreign currencies are initially translated at the foreign exchange rate at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Financial Performance. Non-monetary assets and liabilities measured at historical cost in foreign currencies are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at reporting date.

2.6 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, cash remitted to Ministries and Departments, cash balances with banks, both local and overseas, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value and cash held on behalf of Special Funds.

2.7 Financial Assets

(i) Receivables from Non-Exchange Transactions and Receivables from Exchange Transactions

Receivables from Non-Exchange Transactions comprise receivables from taxation, fines, penalties and forfeits and social contributions.

Receivables from Exchange Transactions comprise receivables from licences, finance income, rent and royalties, sales of goods and services and other revenue.
NOTES TO THE FINANCIAL STATEMENTS

These are recognised when it is probable that the future economic benefits associated with the asset will flow to the Government and can be measured reliably. Receivables are accounted for on an accrual basis.

**Impairment of Receivables**

A loss allowance for expected credit losses (ECL) is recognised on receivables from non-exchange transactions and exchange transactions. An impairment gain or loss is recognised in Statement of Financial Performance representing the amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised.

The policy of loss allowance on receivables has been determined using judgement, estimates and various assumptions which are deemed to be reasonable and appropriate. For Ministries and Departments, factors/indicators such as past trends, historic data, ageing analysis and long overdue payments for a period of more than 10 years have been used to calculate the loss allowance.

For tax revenue, the policy for the calculation of loss allowance is as follows:

<table>
<thead>
<tr>
<th>% Debt unrecoverable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over 10 years</td>
</tr>
<tr>
<td>Between 5 and 10 years</td>
</tr>
<tr>
<td>Between 1 and 5 years</td>
</tr>
<tr>
<td>Less than 1 year</td>
</tr>
</tbody>
</table>

(ii) **Loans and Advances**

Loans and Advances are recognised at cost. Loans are the outstanding balances due by Statutory and Other Bodies and Advances are made under the authority of warrants issued under Section 6(1) of the Finance and Audit Act and are recoverable within specified periods.

(iii) **Investments**

These represent mainly investments made out of monies standing to the credit of the Consolidated Fund and Special Funds in accordance with Section 3(4)(a) and 9(3)(a) of the Finance and Audit Act.

**Initial Recognition of Investments**

On initial recognition, investments are measured at fair value.
NOTES TO THE FINANCIAL STATEMENTS

Classification and Subsequent Measurement of Investments

The table below shows the classification and subsequent measurement basis for the different categories of investments:

<table>
<thead>
<tr>
<th>Category</th>
<th>Classification and Subsequent Measurement Basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity Investments (Quoted Investments, Unquoted Investments, Equity Participation)</td>
<td>Fair Value Through Surplus or Deficit</td>
</tr>
<tr>
<td>Redeemable Preference Shares</td>
<td>Fair Value Through Surplus or Deficit</td>
</tr>
<tr>
<td>Other Investments (Fixed Deposits)</td>
<td>Amortised Cost</td>
</tr>
</tbody>
</table>

(a) **Equity Investments and Redeemable Preference Shares Recognised at Fair Value Through Surplus Or Deficit**

Investments classified as fair value through surplus or deficit are measured at fair value at the end of each financial year, with any gains or losses on remeasurements recognised in surplus or deficit. Any dividend earned on these investments is also recognised in surplus or deficit.

(b) **Other Investments Recognised at Amortised Cost**

Other investments (fixed deposits) held by Government and Special Funds at banks and financial institutions have been reported at amortised cost with any movement recognised in surplus or deficit.

(iv) **Other Financial Assets**

(a) **IMF SDR Deposits**

IMF SDR Deposits represent international reserve assets allocated to Mauritius by the IMF (SDR Holdings) and held at the Bank of Mauritius.

IMF SDR Deposits are translated at year-end exchange rate with any gains/losses arising on re-measurements recognised in the Statement of Financial Performance in the period in which they arise.

(b) **IMF Reserve Tranche Position**

The Reserve Tranche Position represents that portion of the quota of the Republic of Mauritius in IMF that has been paid in reserve assets, i.e. SDRs or foreign currency acceptable to the IMF.

Reserve Tranche transactions, i.e. subscriptions, purchases and sales, are initially translated at the exchange rate at the date of the transaction. At year-end, the SDR Reserve Tranche Position is translated using year-end exchange rates and any gains/losses recognised in the Statement of Financial Performance as foreign exchange gains or losses.

2.8 **Inventories**

Inventories comprise mainly of distributable items, consumables and agricultural produce. Inventories, except for agricultural produce and donated inventories, are measured at lower of cost and current replacement cost. The cost has been determined using First In First Out Basis (FIFO).
Agricultural produce that has been harvested from biological assets are measured at fair value at the point of harvest. The costs to sell relating to agricultural produce was considered to be insignificant. A gain or loss arising on recognition of agricultural produce at fair value are recognised in surplus or deficit.

Donated inventories from non-exchange transactions for nil or nominal consideration are initially measured at its fair value at the date of receipt.

2.9 Prepayments

Prepayments are recognised as assets when payment for goods or services has been made in advance of obtaining a right to access those goods or services.

2.10 Biological Assets

Biological assets are split into the following categories:

(i) Bearer Biological Assets (other than bearer plants);
(ii) Consumable Biological Assets; and
(iii) Agricultural Produce (classified under inventories).

Bearer biological assets (other than bearer plants) are those biological assets that are used repeatedly or continuously for more than one year in an agricultural activity. Examples of bearer biological assets include breeding stocks (birds, tortoise, fruit bats, fish, ewes, rams, bull, cows, heifers, ducks, broiler chicken, hatchable eggs) and bees.

Consumable biological assets are those that are held for harvest as agricultural produce or for sale or distribution at no charge or for a nominal charge as biological assets such as animals and plants for one-time use. Examples of consumable biological assets are trees in a timber plantation forest, fish in farms, sheep and cattle weaners.

Agricultural produce is the harvested produce of biological assets such as produce growing on bearer plants biological assets.

The Government recognises biological assets when, and only when, the Government controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Government and the fair value or cost of the assets can be measured reliably.

Bearer biological assets (other than bearer plants) and consumable biological assets are measured at fair value, with any change therein recognised in surplus or deficit. The fair value has been estimated by Ministry of Agro Industry and Food Security and Ministry of Fisheries. The costs to sell relating to biological assets was considered to be insignificant.

The fair value of biological assets is determined based mainly on market prices, quantity and weight.

2.11 Property, Plant and Equipment

Property, Plant and Equipment include the following:

(i) Infrastructure, Plant and Equipment;
(ii) Land and Buildings;
(iii) Assets under Construction; and
(iv) Other Assets

Furniture, Fixtures and Fittings are currently being expensed.
NOTES TO THE FINANCIAL STATEMENTS

(i) Infrastructure, Plant and Equipment

On initial recognition, Infrastructure, Plant and Equipment are stated at cost or deemed cost. Subsequently, they are stated at cost less accumulated depreciation. Infrastructure, Plant and Equipment represent the cost of the following:

(a) Infrastructure Assets:

- Roads - classified roads/motorways
  
  **Valuation Methodology**
  
  The value of the roads as at 30 June 2020 has been estimated by the Road Development Authority based on the cost of constructing a road to the following standard:

<table>
<thead>
<tr>
<th>SN</th>
<th>Road Type</th>
<th>Cost per km (MUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Motorways</td>
<td>120M</td>
</tr>
<tr>
<td>2</td>
<td>A Roads</td>
<td>75M</td>
</tr>
<tr>
<td>3</td>
<td>B Roads</td>
<td>65M</td>
</tr>
</tbody>
</table>

  The value of roads constructed after 30 June 2020 has been measured at cost.

- Dams
- Bridges
  
  **Valuation Methodology**
  
  The value of bridges as at 30 June 2020 has been estimated by Road Development Authority by using the benchmark of recently constructed bridges of similar nature and size, at that time.

  The value of bridges constructed after 30 June 2020 has been measured at cost.

- Stadiums & Gymnasiums; and
- Other Structures.

Infrastructure assets do not include assets acquired by the Government on behalf of Other Public Sector bodies.

(b) Transport Equipment:

- Ships/Vessels;
- Aircrafts/Helicopters; and
- Other Vehicles.

(c) Other Machinery & Equipment:

- Medical Equipment;
- Office Equipment; and
- Machinery.
NOTES TO THE FINANCIAL STATEMENTS

(ii) Land and Buildings

- Land

Land represents the estimated value of State Lands (main land) and Outer Islands. The valuation methodology is as follows:

**State Lands acquired before 30 June 2018**

These have been estimated by the Government Valuation Department and revised as at 30 June 2022, based on the information provided by various Ministries and Departments. The direct comparison method has been used to some extent based on freehold sales evidence for various uses in the different regions of the island.

The methodology adopted for State Lands leased by the Government for various purposes is a reduced rate of 1/3 of freehold value. The rate for leased properties was based on use such as residential, agricultural, industrial and commercial.

In cases where the State Lands were leased for industrial use such as hotel, the rate per arpent obtained through analysis of sale of leasehold rights of State Lands along the Pas Geometriques was adopted.

Nature Reserve and Walks, Shooting and Fishing Leases and Guardienages have been valued at a uniform rate of Rs 250,000/Arpent.

Islets used as Nature Reserve have been valued at rates of Rs 200,000 and Rs 215,000 per Arpent depending on regions. Public Beaches and Islets were valued based on rent paid per annum under the State Lands Act and were capitalised in perpetuity at rate of 8%.

For Islets leased as hotels i.e industrial site, valuation has been carried out based on sales of leasehold rights along the Pas Geometriques.

For grazing land, 1/3 rate of market value of agricultural land as per region has been used for assessment.

For Ex Tea Land, Agricultural Stations, MSPA Lands and land settlement, valuation has been based on freehold agricultural sales evidence according to different regions.

For National Parks used as touristic sites, a rate of Rs 2.5M/Arpent used previously for valuation in respect of financial year 2018-2019, has been maintained for financial year 2021-2022.

For campement sites, valuation has been carried out based on Pas Geometriques sales evidences (leasehold sites).

In respect of land acquired by Government for different purposes, the amount of compensation reported to the Ministry of Housing and Land Use Planning has been used.

**State Lands acquired after 30 June 2018**

These have been recognised at cost.

**Outer Islands**

These have been recognised at the value estimated by the Government Valuation Department as at 30 June 2018.

- Buildings

Buildings represent residential and non-residential buildings, whether purchased, constructed or upgraded.
Buildings are initially recognised at cost and subsequently at cost less accumulated depreciation.

(iii) Assets under Construction

Assets in the course of construction are recognised at cost.

Depreciation of these assets commences when the assets are ready for their intended use. As from financial year 2021-2022, capital expenditure incurred under Special Funds have also been included.

(iv) Other Assets

Other Assets include Bearer Plants, Plants to maintain the ecosystem and trained Sniffer Dogs used to detect illicit substances. These are measured at fair value at end of each reporting date.

The fair value model had been used as it is considered to be more appropriate.

(v) Donated Assets

When an asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value at the date of acquisition and subsequently depreciated over its remaining useful life.

(vi) Depreciation

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Full year depreciation is charged in the year of acquisition and none in year of disposal. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset over its remaining useful life, as follows:

- **Buildings**: 50 years
- **Infrastructure Assets**: 10 – 50 years
- **Transport Equipment**: 8 – 25 years
- **Other Machinery & Equipment**: 4 – 20 years

Land is not depreciated.

(vii) Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

(viii) Derecognition

Property, plant and equipment and/or any significant part of an asset are derecognised upon disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in surplus or deficit when the asset is derecognised.

2.12 Intangible Assets

Intangible assets include licenses, computer software and IT projects acquired, developed or under development. Intangible assets acquired separately are initially recognised at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation. Internally generated intangible assets are not capitalised and expensed in the Statement of Financial Performance in the period in which the expenditure is incurred.
Intangible assets are amortised using the straight-line method over a period of 8 years. Full year amortisation is charged in the year of acquisition. Intangible assets which are still under development phase are recognised at cost and no amortisation is charged until the asset is available for use.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset. Any surplus or deficit arising from the disposal is recognised in the Statement of Financial Performance.

2.13 Financial Liabilities

(i) Payables

Payables are recognised at cost as the effect of discounting is not considered material. Payables comprise the following:

(a) ‘Cost of Borrowings’ consist of Accrued Interest on Re-opening of Government Bonds and Treasury Notes;
(b) ‘Accounts Payable’ which are expenses incurred by the Government during the financial year but not yet paid as at year end;
(c) ‘Retention Money on Contracts’ which is a percentage of the amount certified as due to the contractors, deducted from the amount due and retained by the Government; and
(d) ‘Carry-over of Capital Expenditure’ which represents the balance of the provision earmarked for capital projects in the current financial year payable within 3 months of the close of the financial year as per Section 3A of the Finance and Audit Act. The amount recognised in the Statement of Financial Position represents that portion of the total provision carried-over in respect of which goods were received or works completed by end of the financial year.

(ii) Deposits

Deposits are money deposited with the Government under Section 8 of the Finance and Audit Act and are recognised at their carrying amounts.

(iii) Government Debt

a) Domestic and External Debts

*Initial Recognition and Measurement*

Upon initial recognition, Domestic and External Debts are measured at fair value.

For concessionary loans, the difference between the loan proceeds and the fair value on initial recognition is accounted as revenue from non-exchange transactions.

*Subsequent Measurement*

- Treasury Bills and Treasury Certificates

Treasury Bills and Treasury Certificates are measured at amortised cost which is equivalent to the amount payable at maturity to the holders of these instruments, due to the short term nature of these liabilities.
NOTES TO THE FINANCIAL STATEMENTS

- Treasury Notes, Government of Mauritius Bonds, Inflation-Indexed Bonds, Other Long-Term Securities, Domestic Loans and External Debts
  
  Subsequently, these instruments are measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in surplus or deficit. Amortised cost is calculated by taking into account any discount or premium on acquisition of these instruments excluding commitment fees, management charges and front-end fees.

- Silver Retirement/Savings Bonds
  These instruments are recognised at cost plus accrued interest.

De-Recognition of Financial Liabilities

A financial liability (or a part of a financial liability) is removed from the Statement of Financial Position when, the financial liability is extinguished, that is, when the obligation specified in the contract is discharged, waived, cancelled or expired.

b) International Monetary Fund (IMF) - SDR Allocations

  IMF SDR Allocations represent obligations which arise through the participation of the Republic of Mauritius in the SDR Department of the IMF and that are related to the allocation of SDR Holdings. SDR Holdings are international reserve assets created by the IMF and allocated to members to supplement reserves.

  IMF SDR Allocations are translated at year-end exchange rate with any gains/losses arising on re-measurements recognised in the Statement of Financial Performance in the period in which they arise.

(iv) Financial Guarantee Liabilities

  The Government provides financial guarantee as and when required in respect of loans contracted by Public Sector Bodies. Such guarantees are given to the lender to reimburse the amount of any loss incurred in the event of non-repayment of the respective loans by the Public Sector Bodies.

  These financial guarantee contracts are initially recognised as a liability at fair value.

  Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the liability and the amount initially recognised less cumulative amortisation.

2.14 Social Benefits Liabilities

Social benefits are cash transfers provided to specific individuals and/or households who meet eligibility criteria, mitigate the effect of social risks and address the needs of society as a whole.

(i) Initial Measurement

The Government recognises a liability for a social benefit scheme when it:

(a) has a present obligation for an outflow of resources that results from a past event; and
(b) the present obligation can be measured in a way that achieves the qualitative characteristics and takes into account constraints on information.

The initial measurement of the liability for a social benefit scheme is at the best estimate of the costs, that is the social benefit payments, that the Government will incur in fulfilling the present obligations represented by the liability. The Government also recognises an expense for the social benefit scheme at an amount equivalent to the amount of the liability.

(ii) Subsequent Measurement

The liability is reduced as social benefit payments are made and any difference between the cost of making the social benefit payments and the carrying amount of the liability in respect of the social benefit scheme is recognised in surplus or deficit in the period in which the liability is settled.

2.15 Provisions

Provisions are recognised when the Government has a present obligation as a result of a past event and it is probable that the Government will be required to settle that obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date. The expense relating to any provision is presented in the Statement of Financial Performance net of any reimbursement. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

2.16 Employee Benefit Obligations

(i) Short-Term Employee Benefits

Short-term employee benefits are benefits which are expected to be settled wholly before twelve months after the reporting period in which the employee renders the related service.

Short-term employee benefits are expensed in the period the employee renders the service and a liability is recognised in respect of amount not paid at the end of the financial year. The liabilities have not been discounted for the time value of money and are presented as current liabilities.

The short-term employee benefits consist of salaries, wages, salary compensation, overtime, travelling and transport, allowances, end of year bonus, social security contributions, accumulated paid leave, passage benefits, and allowance in lieu of passage benefits.

Accumulated paid leave (annual sick leave and bank of sick leave and vacation leave upon retirement) and end of year bonus are accrued in the period the employee renders the service and a liability is recognised in respect of amount not paid at the end of the financial year.

Passage benefits represent the estimated liability of the Government in respect of passage benefits accrued to public officers on permanent and pensionable establishment drawing a minimum monthly salary of Rs 27,400 or reckoning at least five years’ service as per Pay Research Bureau (PRB) Report 2021. Passage benefits are earned at the rate of 5% of the gross salaries annually. The carrying amount is re-measured each year end after taking into account amount paid and earned during the year.
(ii) Post-Employment Benefits

(a) Defined Contribution Plan
Defined contribution plans are post-employment benefit plans under which the Government pays fixed contributions into another entity, the State Insurance Company of Mauritius Limited (SICOM Ltd), for full time employees who joined the Public Sector from 1 January 2013 onwards. The Government has no further payment obligations once the contributions have been paid. These contributions are expensed in the period the employee renders the service and a liability is recognised in respect of amount not paid at the end of the financial year.

(b) Defined Benefit Plans
The Government operates two Defined Benefit Plans, one for employees who joined service prior to the year 2013 and one for Members of the Legislative Assembly.

Both plans are unfunded. The calculation of defined benefit obligations is performed on a 3 yearly basis by a qualified actuary. Currently, Government appoints SICOM Ltd as its actuary. The cost of providing benefits is calculated using the projected unit method. The benefits are then discounted in order to determine the present value of the defined benefit obligations and the current service cost.

Remeasurements, comprising actuarial gains and losses, are reflected in the Statement AC - Statement of Changes in Net Assets or Equity.

(c) National Savings Fund
These contributions are expensed in the period the employee renders the service and a liability is recognised in respect of amount not paid at the end of the financial year.

2.17 Contingent Assets and Contingent Liabilities

The Government does not recognise a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Government in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the notes to the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset’s value can be measured reliably, the asset and the related revenue are recognised in the financial statements of the period in which the change occurs.

The Government does not recognise a contingent liability, but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

2.18 Revenue from Non-Exchange Transactions

(i) Taxation
Taxation consists of Taxes on Income and Profits, Taxes on Property, Taxes on Goods and Services, Taxes on International Trade and Transactions and Other Taxes.
For the financial year 2021-2022, the revenue recognition policy adopted for each major type of taxation revenue is as follows:

<table>
<thead>
<tr>
<th>Tax Type</th>
<th>Revenue Recognition Policy</th>
</tr>
</thead>
</table>
| Taxes on Income and Profits                   | 1. **Income Tax - Individuals (self-assessment)**<br>Revenue is recognised when the taxable activity takes place based on income tax returns submitted by the taxpayer by 15 October of the following financial year.<br>Any revenue for the current financial year declared after 15 October or relating to prior periods are recognised as revenue in the year that the returns are submitted.<br>Revenue recognised represents the net amount payable by the tax payer after any refund and deduction of any Pay As You Earn (PAYE) or Tax Deduction at Source (TDS).  
2. **Income Tax - Companies and Bodies Corporate**<br>Revenue is recognised when the taxable activity takes place based on tax returns submitted by the entities by 31 October following the end of the financial year. For entities which submit their tax return for the financial year after the 31 October, revenue for that income year is estimated based on the tax return submitted for the previous financial year end.<br>Any revenue relating to prior periods are recognised as revenue in the year of submission of returns.<br>For the financial year 2020-2021, revenue was recognised on cash basis.  
3. **Pay As You Earn (PAYE) and Tax Deduction at Source (TDS)**<br>Revenue is recognised in the financial year when the taxable activity takes place based on returns submitted in the current financial year. PAYE and TDS for the month of June submitted up to the cut-off date of 31 July of the following financial year are recognised as revenue in the current financial year.<br>PAYE and TDS relating to any month prior to June that are declared after the end of the current financial year and PAYE/TDS relating to any prior periods are recognised as revenue in the year in which the returns are submitted. |
| Taxes on Property                             | Revenue is recognised on an accrual basis.                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Taxes on Goods and Services  
  and Taxes on International Trade and Transactions | 1. **Value Added Tax (VAT)**<br>Revenue is recognised in the year when the taxable activity takes place based on returns relating to the current financial year submitted by the taxpayer during the financial year and returns pertaining to the month of June and Quarter April to June submitted by 31 July of the following financial year, net of any repayment.<br>VAT returns for the month of July to May and Quarters July to March declared after financial year end and VAT relating to prior periods are recognised as revenue, net of any repayment in the year in which the returns are submitted.  
2. **Custom and Excise Duties and Other taxes collected at Customs**<br>Revenue is recognised in the financial year when the taxable activity takes place based on the customs declarations submitted at customs.  
3. **Betting and Gaming Taxes**<br>Revenue is recognised when taxes are declared in the tax payers returns during the financial year. |
### Notes to the Financial Statements

#### Tax Type

<table>
<thead>
<tr>
<th>Tax Type</th>
<th>Revenue Recognition Point</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Passenger Fee</td>
<td>Revenue is recognised when taxes are declared in the tax payers returns during the financial year.</td>
</tr>
</tbody>
</table>

#### Other Taxes

1. **Environment Protection Fee (EPF)**
   
   Revenue is recognised when taxes are declared in the tax payers returns during the financial year.

2. **Advertising Structure Fee and Special Levy on Banks**
   
   Revenue is recognised when taxes are declared in the tax payers returns during the financial year.

Penalties, interests and surcharges arising in relation to taxation are recognised as revenue in the year when these charges are applied.

Revenue on assessments is recognised in the financial year in which the Assessment, Objection or Appeal is finalized, that is, after the resolution of the dispute.

(ii) **Transfers**

(a) **Fines, Penalties and Forfeits**

Fines, Penalties and Forfeits are recognised on an accrual basis.

(b) **Grants and Aid**

Grants and Aid consist of Grants from Foreign Governments, International Organisations and Other General Government Units.

These grants are recognised on an accrual basis.

(c) **Other Transfers**

Other transfers include:

- Transfer of surplus cash balances from statutory bodies and special funds and any contributions made by a party to Government. These are recognised on a cash basis.

- Contribution in respect of Tourism Development Projects on State Lands. These are recognised on cash basis.

- **Concessionary Loans**

  The difference between loan proceeds and the fair value of the loan on initial recognition is recognised as revenue.
• Goods in-kind
  Goods in-kind are measured at fair value as at the date of acquisition and recognised on obtaining control of the asset if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Government and can be measured reliably.

• Debt Forgiveness
  Debts written off by Development Partners and Donor Agencies are recognised as revenue when the debt no longer meets the definition of a liability.

(iii) Social Contributions (previously presented as ‘Contribution Sociale Généralisée’ (CSG))

Social Contributions is recognised on an accrual basis.

2.19 Revenue from Exchange Transactions

Revenue from exchange transactions consist of Licences, Finance Income, Dividends (previously presented as Dividends and Withdrawals from Income of Quasi Corporations), Rent and Royalties, Sales of Goods and Services and Other Revenue.

For the financial year 2021-2022, these revenues except for Dividends have been recognised on an accrual basis. Dividends have been recognised on a cash basis.

2.20 Expenses

(i) Subsidies and Grants

Subsidies and Grants to Local Authorities, Extra Budgetary Units, Rodrigues Regional Assembly and Other General Government Units are recognised when payments are made.

Contributions to International/Regional Organisations are recognised in the period to which they relate.

(ii) Social Benefits

Social benefits are recognised in the period to which they relate.

(iii) Operating Expenses

These are recognised in the period when goods are received or services are rendered.

Operating expenses include rental expense on operating leases which are recognised on a straight-line basis over the lease terms. The Government does not currently hold any assets under a finance lease. The Government leases various offices, warehouses, equipment in connection with safe city projects, rental of network lines amongst others. Rental contracts of offices, warehouses, equipment in connection with safe city projects and network lines are made for fixed periods between 2 to 10 years which may be extended. All other rental contracts are for short term lease, normally less than one year.
(iv) Other Expenses

Other expenses, except for other transfer payments are recognised on an accrual basis.

All transfer payments, except those made to Regional/International Organisations and Insurance and Compensation arising out of Government liability are recognised on a cash basis. Transfers made to Regional/International Organisations are recognised in the period when goods are received or services are rendered.

(v) Finance Costs

Finance costs on financial liabilities are measured at amortised cost and are recognised using the effective interest rate method.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements includes the use of accounting estimates and management assumptions and judgement. It also requires management to exercise its judgement in the process of applying accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant, include, but are not limited to: estimation of Receivables, loss allowance for expected credit losses on Receivables, selection of useful lives and the depreciation/amortisation method for Property Plant and Equipment and Intangible Assets, estimating the fair value of certain categories of Property Plant and Equipment, Biological Assets and Investments, actuarial measurement of post-employment benefit obligations, assumptions used in calculating the fair value of Government Debt for which there is no observable market price and estimation to compute the value for Financial Guarantee Liabilities. The actual results could differ from those estimates. Changes in estimates are reflected in the period in which they become known.

4. CASH AND CASH EQUIVALENTS

The total cash and cash equivalents are made up as follows:

<table>
<thead>
<tr>
<th></th>
<th>30 June 2022</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Bank balances</td>
<td>18,928,625,991</td>
<td>40,292,906,562</td>
</tr>
<tr>
<td>Remittances</td>
<td>2,744,429,139</td>
<td>2,217,455,202</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>21,673,055,130</strong></td>
<td><strong>42,510,361,764</strong></td>
</tr>
</tbody>
</table>

**Comprising:**

<table>
<thead>
<tr>
<th></th>
<th>30 June 2022</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local currency balances</td>
<td>19,037,456,885</td>
<td>37,382,086,848</td>
</tr>
<tr>
<td>Foreign currency balances - at local banks</td>
<td>2,573,682,737</td>
<td>5,058,706,042</td>
</tr>
<tr>
<td>Foreign currency balances - at external banks</td>
<td>61,915,508</td>
<td>69,568,874</td>
</tr>
</tbody>
</table>

As at 30 June 2022, there is no significant cash and cash equivalents balances that are not available for use.
Cash and cash equivalents include an amount of Rs 15,852,728,653 (2021: Rs 25,567,657,163) for Special Funds.
NOTES TO THE FINANCIAL STATEMENTS

**Non-cash transactions**

Non-cash transactions amounted to Rs 1,828,649,306 (2021: Rs 3,187,854,497) as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>30 June 2022</th>
<th>30 June 2021 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>Donated Property, Plant and Equipment</td>
<td>13,637,541</td>
<td>339,850,603</td>
</tr>
<tr>
<td>Loans Write-Off</td>
<td>-</td>
<td>2,300,000,000</td>
</tr>
<tr>
<td>Payment by the funding agencies directly to the contractor in respect of works for the Government</td>
<td>1,102,703,200</td>
<td>287,049,663</td>
</tr>
<tr>
<td>Conversion of Advances to Equity Instruments</td>
<td>680,000,000</td>
<td>-</td>
</tr>
<tr>
<td>Others</td>
<td>32,308,565</td>
<td>260,954,231</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,828,649,306</strong></td>
<td><strong>3,187,854,497</strong></td>
</tr>
</tbody>
</table>

5. **RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS**

<table>
<thead>
<tr>
<th>Description</th>
<th>30 June 2022</th>
<th>30 June 2021 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>Taxes on Income and Profits</td>
<td>9,859,386,370</td>
<td>9,825,558,029</td>
</tr>
<tr>
<td>Taxes on Property</td>
<td>16,079,254</td>
<td>15,671,407</td>
</tr>
<tr>
<td>Taxes on Goods and Services</td>
<td>7,749,512,299</td>
<td>6,621,872,021</td>
</tr>
<tr>
<td>Taxes on International Trade and Transactions</td>
<td>2,007,884</td>
<td>4,203,417</td>
</tr>
<tr>
<td>Other Taxes</td>
<td>155,590,237</td>
<td>142,545,709</td>
</tr>
<tr>
<td>Fines, Penalties and Forfeits</td>
<td>112,005,878</td>
<td>67,289,785</td>
</tr>
<tr>
<td>Social Contributions</td>
<td>1,018,299,607</td>
<td>740,591,250</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>18,912,881,529</strong></td>
<td><strong>17,417,731,618</strong></td>
</tr>
<tr>
<td>Less : Loss Allowance</td>
<td>(593,519,713)</td>
<td>(541,787,787)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>18,319,361,816</strong></td>
<td><strong>16,875,943,831</strong></td>
</tr>
</tbody>
</table>

- Within one year                                       | 8,396,838,180 | 7,873,299,105           |
- After one year                                        | 9,922,523,636 | 9,002,644,726           |
| **Total**                                             | **18,319,361,816** | **16,875,943,831**       |
The ageing of receivables from non-exchange transactions are as follows:

<table>
<thead>
<tr>
<th></th>
<th>30 June 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>9,685,692,665</td>
</tr>
<tr>
<td>Between 1 to 5 years</td>
<td>5,048,712,087</td>
</tr>
<tr>
<td>Between 5 to 10 years</td>
<td>2,438,278,813</td>
</tr>
<tr>
<td>Over 10 years</td>
<td>1,146,678,251</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>18,319,361,816</strong></td>
</tr>
</tbody>
</table>

During the financial year 2021-2022, an amount of Rs 339,654,694 was written off. Out of this amount, an amount of Rs 18,135,133 (2021: Rs 1,413,283) was charged directly through surplus or deficit as no loss allowance in respect of these amounts were previously recognised (Refer to Note 33). The remaining amount of Rs 321,519,561 was written off against loss allowance (Refer to table below).

The changes in loss allowance in respect of receivables from non-exchange transactions are as follows:

<table>
<thead>
<tr>
<th></th>
<th>30 June 2022</th>
<th>30 June 2021 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss Allowance as at 01 July</td>
<td>541,787,787</td>
<td>-</td>
</tr>
<tr>
<td>Receivables Write-Off</td>
<td>(321,519,561)</td>
<td>-</td>
</tr>
<tr>
<td>Impairment Loss</td>
<td>373,251,487</td>
<td>541,787,787*</td>
</tr>
<tr>
<td><strong>Loss Allowance as at 30 June</strong></td>
<td><strong>593,519,713</strong></td>
<td><strong>541,787,787</strong></td>
</tr>
</tbody>
</table>

* Loss allowance on receivables from non-exchange transactions amounting to Rs 541,787,787 has been recognised for the first time in the financial statements for the financial year 2020-2021.

Refer to Note 37(i) for details on the prior year adjustments.
### 6. RECEIVABLES FROM EXCHANGE TRANSACTIONS

<table>
<thead>
<tr>
<th></th>
<th>30 June 2022</th>
<th>30 June 2021 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>Licences</td>
<td>83,461,361</td>
<td>212,689,918</td>
</tr>
<tr>
<td>Finance Income</td>
<td>1,031,900,716</td>
<td>905,495,078</td>
</tr>
<tr>
<td>Rent and Royalties</td>
<td>1,096,354,560</td>
<td>744,977,392</td>
</tr>
<tr>
<td>Sales of Goods &amp; Services</td>
<td>298,757,572</td>
<td>331,415,542</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>195,488,838</td>
<td>139,100,940</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,705,963,047</strong></td>
<td><strong>2,333,678,870</strong></td>
</tr>
<tr>
<td>Less: Loss Allowance</td>
<td>(137,648,458)</td>
<td>(149,939,105)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,568,314,589</strong></td>
<td><strong>2,183,739,765</strong></td>
</tr>
</tbody>
</table>

- **Within one year**
  - 276,255,673
  - 2,181,951,406

- **After one year**
  - 2,292,058,916
  - 1,788,359

**Total**

2,568,314,589

2,183,739,765

The ageing of receivables from exchange transactions are as follows:

<table>
<thead>
<tr>
<th></th>
<th>30 June 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>275,939,245</td>
</tr>
<tr>
<td>Between 1 to 5 years</td>
<td>1,973,493,859</td>
</tr>
<tr>
<td>Between 5 to 10 years</td>
<td>304,253,159</td>
</tr>
<tr>
<td>Over 10 years</td>
<td>14,628,326</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,568,314,589</strong></td>
</tr>
</tbody>
</table>

During the financial year 2021-2022, an amount of Rs 53,049,473 (2021: Rs 1,527,304,336) was written off. Out of this amount, an amount of Rs 2,600 (2021: Rs 1,526,409,775) was charged directly through surplus or deficit as no loss allowance in respect of these amounts were previously recognised (Refer to Note 33). The remaining amount of Rs 53,046,873 (2021: Rs 894,561) was written off against loss allowance (Refer to table below).
NOTES TO THE FINANCIAL STATEMENTS

The changes in the loss allowance in respect of receivables from exchange transactions are as follows:

<table>
<thead>
<tr>
<th></th>
<th>30 June 2022 (Restated)</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss Allowance as at 01 July</td>
<td>Rs 149,939,105</td>
<td>Rs 136,059,734</td>
</tr>
<tr>
<td>Receivables Write-Off</td>
<td>(Restated) Rs (53,046,873)</td>
<td>(894,561)</td>
</tr>
<tr>
<td>Impairment Loss</td>
<td>Rs 40,756,226</td>
<td>14,773,932*</td>
</tr>
<tr>
<td><strong>Loss Allowance as at 30 June</strong></td>
<td><strong>Rs 137,648,458</strong></td>
<td><strong>149,939,105</strong></td>
</tr>
</tbody>
</table>

* Impairment loss amounting to Rs 14,773,932 has been restated to include an amount of Rs 177,639 in respect of rent and royalties which has been recognised for the first time in the financial year 2020-2021.

Refer to Note 37(ii) for details on the prior year adjustments.

7. LOANS AND ADVANCES

<table>
<thead>
<tr>
<th></th>
<th>30 June 2022</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current Rs</td>
<td>Non-Current Rs</td>
</tr>
<tr>
<td>Loans</td>
<td>2,188,418,608</td>
<td>8,043,074,724</td>
</tr>
<tr>
<td>Advances</td>
<td>943,314,350</td>
<td>3,188,200,013</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,131,732,958</td>
<td>11,231,274,737</td>
</tr>
</tbody>
</table>

(i) Loans

<table>
<thead>
<tr>
<th></th>
<th>30 June 2022</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>Loans as per Statement M- Statement of all Outstanding</td>
<td>10,224,913,735</td>
<td>9,723,121,744</td>
</tr>
<tr>
<td>Loans financed from Revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Capitalised on Accrual Basis</td>
<td>6,579,597</td>
<td>4,157,588</td>
</tr>
<tr>
<td>Loans as per Statement A- Statement of Financial Position</td>
<td>10,231,493,332</td>
<td>9,727,279,332</td>
</tr>
</tbody>
</table>
The ageing of the loans are as follows:

<table>
<thead>
<tr>
<th>Duration</th>
<th>30 June 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>2,188,418,608</td>
</tr>
<tr>
<td>Between 1 to 5 years</td>
<td>4,366,501,624</td>
</tr>
<tr>
<td>Between 5 to 10 years</td>
<td>2,796,214,116</td>
</tr>
<tr>
<td>Over 10 years</td>
<td>880,358,984</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>10,231,493,332</strong></td>
</tr>
</tbody>
</table>

(ii) Advances

<table>
<thead>
<tr>
<th>Category</th>
<th>30 June 2022</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Officers (include Motor Cars and Motor Cycles Advances)</td>
<td>1,993,255,919</td>
<td>1,996,697,288</td>
</tr>
<tr>
<td>Parastatals/Local Government/Corporate Bodies</td>
<td>978,405,921</td>
<td>1,995,601,514</td>
</tr>
<tr>
<td>Ministries/Departments</td>
<td>1,159,052,523</td>
<td>105,562,923</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,131,514,363</strong></td>
<td><strong>4,097,861,725</strong></td>
</tr>
</tbody>
</table>

8. INVESTMENTS

Details of investments are shown below:

<table>
<thead>
<tr>
<th>Category</th>
<th>30 June 2022</th>
<th>30 June 2021 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity Investments</td>
<td>114,017,302,130</td>
<td>97,930,744,566</td>
</tr>
<tr>
<td>Redeemable Preference Shares</td>
<td>200,000,000</td>
<td>200,000,000</td>
</tr>
<tr>
<td>Other Investments</td>
<td>19,526,009,121</td>
<td>11,558,229,071</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>133,743,311,251</strong></td>
<td><strong>109,688,973,637</strong></td>
</tr>
</tbody>
</table>

- Within one year
  - 19,432,000,104
  - 11,129,359,332
- After one year
  - 114,311,311,147
  - 98,559,614,305

**Total**

133,743,311,251

109,688,973,637

Refer to Note 37(iii) for details on the prior year adjustments.
(i) Equity Investments and Redeemable Preference Shares

*Fair Value of Equity Investments and Redeemable Preference Shares*

The Government uses the following hierarchy for determining and measuring the fair value of investments:

- **Level 1** – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- **Level 2** – Other techniques for which all inputs are observable and have a significant effect on the recorded fair value, either directly or indirectly; and
- **Level 3** – Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The level of fair value measurement used for each category of investment is shown in the table below:

<table>
<thead>
<tr>
<th>Category</th>
<th>Level</th>
<th>Basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quoted Investments</td>
<td>Level 1</td>
<td>Based on market prices of shares on the Stock Exchange of Mauritius as at the end of the financial year</td>
</tr>
<tr>
<td>Unquoted Investments</td>
<td>Level 3</td>
<td>Based on the Net Asset figures from the latest audited financial statements of investees except for:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>i) ISM Ltd, National Fishing Company Ltd and Mauritius Institute of Biotechnology Ltd, where their costs have been deemed to be their market value as no audited financial statements are available due to their recent incorporation;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>ii) Airport Holdings Ltd, whereby the latest valuation carried out in 2021 was considered - Government's investment in the company was valued at Rs 26 billion</td>
</tr>
<tr>
<td>Equity Participation</td>
<td>Level 3</td>
<td>Based on the Net Asset figure from the latest audited financial statements of investees</td>
</tr>
<tr>
<td>Redeemable Preference Shares</td>
<td>Level 3</td>
<td>Based on the value disclosed in the latest audited financial statements of investees</td>
</tr>
</tbody>
</table>
The table below shows an analysis of equity investments and redeemable preference shares mandatorily measured at fair value through surplus or deficit by the level of hierarchy:

<table>
<thead>
<tr>
<th></th>
<th>Level 1</th>
<th>Level 3</th>
<th>Total Carrying Amount</th>
<th>Total Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>30 June 2022</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quoted investments</td>
<td>717,819,495</td>
<td>-</td>
<td>717,819,495</td>
<td>717,819,495</td>
</tr>
<tr>
<td>Unquoted investments</td>
<td>-</td>
<td>81,835,154,830</td>
<td>81,835,154,830</td>
<td>81,835,154,830</td>
</tr>
<tr>
<td>Equity participation</td>
<td>-</td>
<td>31,464,327,805</td>
<td>31,464,327,805</td>
<td>31,464,327,805</td>
</tr>
<tr>
<td>Redeemable Preference Shares</td>
<td>-</td>
<td>200,000,000</td>
<td>200,000,000</td>
<td>200,000,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>717,819,495</td>
<td>113,499,482,635</td>
<td>114,217,302,130</td>
<td>114,217,302,130</td>
</tr>
<tr>
<td><strong>30 June 2021</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Restated)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quoted investments</td>
<td>704,011,166</td>
<td>-</td>
<td>704,011,166</td>
<td>704,011,166</td>
</tr>
<tr>
<td>Unquoted investments</td>
<td>-</td>
<td>65,676,646,352</td>
<td>65,676,646,352</td>
<td>65,676,646,352</td>
</tr>
<tr>
<td>Equity participation</td>
<td>-</td>
<td>31,550,087,048</td>
<td>31,550,087,048</td>
<td>31,550,087,048</td>
</tr>
<tr>
<td>Redeemable Preference Shares</td>
<td>-</td>
<td>200,000,000</td>
<td>200,000,000</td>
<td>200,000,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>704,011,166</td>
<td>97,426,733,400</td>
<td>98,130,744,566</td>
<td>98,130,744,566</td>
</tr>
</tbody>
</table>

There have been no transfers between Level 1 and Level 3 during the current year.
A reconciliation of fair value measurements in level 3 is set out below:

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at 30 June 2020</strong></td>
<td>102,808,682,624</td>
</tr>
<tr>
<td><em>Prior year adjustments:</em></td>
<td></td>
</tr>
<tr>
<td>Dividends capitalised</td>
<td>87,542,932</td>
</tr>
<tr>
<td>Fair value loss on investment</td>
<td>(87,542,932)</td>
</tr>
<tr>
<td><strong>Balance at 30 June 2020 (restated)</strong></td>
<td>102,808,682,624</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>22,337,960,742</td>
</tr>
<tr>
<td>Dividends capitalised</td>
<td>1</td>
</tr>
<tr>
<td>Gains on foreign exchange transactions</td>
<td>248,405,841</td>
</tr>
<tr>
<td>Fair value loss on investment</td>
<td>(17,799,294,743)</td>
</tr>
<tr>
<td><strong>Restatements:</strong></td>
<td></td>
</tr>
<tr>
<td>Dividends capitalised</td>
<td>92,124,554</td>
</tr>
<tr>
<td>Gains on foreign exchange transactions</td>
<td>12,099,849</td>
</tr>
<tr>
<td>Fair value loss on investment</td>
<td>(10,273,245,468)</td>
</tr>
<tr>
<td><strong>Balance at 30 June 2021 (restated)</strong></td>
<td>97,426,733,400</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>30,942,091,665</td>
</tr>
<tr>
<td>Dividends capitalised</td>
<td>26,755,652</td>
</tr>
<tr>
<td>Conversion of advance into equity</td>
<td>680,000,000</td>
</tr>
<tr>
<td>Gains on foreign exchange transactions</td>
<td>27,417,238</td>
</tr>
<tr>
<td>Disposal of investments</td>
<td>(13,791,119,613)</td>
</tr>
<tr>
<td>Fair value loss on investment</td>
<td>(1,812,395,707)</td>
</tr>
<tr>
<td><strong>Balance at 30 June 2022</strong></td>
<td>113,499,482,635</td>
</tr>
</tbody>
</table>

(ii) Other Investments

Other Investments have been recognised at amortised cost for the first time in the financial statements for the financial year ended 30 June 2022 and prior year figures have been restated retrospectively.

A reconciliation of amortised cost is shown below:

<table>
<thead>
<tr>
<th>Description</th>
<th>Government Rs</th>
<th>Special Funds Rs</th>
<th>Total Rs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at 30 June 2020</strong></td>
<td>594,695,000</td>
<td>320,000,000</td>
<td>914,695,000</td>
</tr>
<tr>
<td>Movement in interest receivable</td>
<td>26,566,076</td>
<td>10,542,939</td>
<td>37,109,015</td>
</tr>
<tr>
<td><strong>Balance at 30 June 2020 (restated)</strong></td>
<td>621,261,076</td>
<td>330,542,939</td>
<td>951,804,015</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>-</td>
<td>10,600,000,000</td>
<td>10,600,000,000</td>
</tr>
<tr>
<td>Redemption of fixed deposits</td>
<td>(4,400,000)</td>
<td>-</td>
<td>(4,400,000)</td>
</tr>
<tr>
<td>Movement in interest receivable</td>
<td>(17,446,324)</td>
<td>28,271,380</td>
<td>10,825,056</td>
</tr>
<tr>
<td><strong>Balance at 30 June 2021 (restated)</strong></td>
<td>599,414,752</td>
<td>10,958,814,319</td>
<td>11,558,229,071</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>-</td>
<td>8,002,000,000</td>
<td>8,002,000,000</td>
</tr>
<tr>
<td>Redemption of fixed deposits</td>
<td>(4,400,000)</td>
<td>(40,000,000)</td>
<td>(44,400,000)</td>
</tr>
<tr>
<td>Movement in interest receivable</td>
<td>1,107,051</td>
<td>9,072,999</td>
<td>10,180,050</td>
</tr>
<tr>
<td><strong>Balance at 30 June 2022</strong></td>
<td>596,121,803</td>
<td>18,929,887,318</td>
<td>19,526,009,121</td>
</tr>
</tbody>
</table>

Additional details in respect of investments are provided in the Statement F - Detailed Statement of Investments as at 30 June 2022.
NOTES TO THE FINANCIAL STATEMENTS

9. INVENTORIES

<table>
<thead>
<tr>
<th>30 June 2022</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>Inventories consist of the following:</td>
<td></td>
</tr>
<tr>
<td>Inventories for Distribution and Consumption</td>
<td>2,583,421,318</td>
</tr>
<tr>
<td>Donated inventories</td>
<td>174,800,329</td>
</tr>
<tr>
<td>Agricultural Produce</td>
<td>37,498,259</td>
</tr>
<tr>
<td>Total</td>
<td>2,795,719,906</td>
</tr>
</tbody>
</table>

Inventories amounting to Rs 23,802,873 (2021: Rs 14,846,205) was written-off during the financial year 2021-2022.

Agricultural Produce has been recognised for the first time in the financial statements for the financial year 2021-2022. Due to unavailability of information, the comparative information for the financial year 2020-2021 have not been recognised.

10. OTHER FINANCIAL ASSETS

<table>
<thead>
<tr>
<th>30 June 2022</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>IMF - SDR Deposits</td>
<td>12,509,787,642</td>
</tr>
<tr>
<td>IMF - Reserve Tranche Position</td>
<td>2,418,161,031</td>
</tr>
<tr>
<td>Total</td>
<td>14,927,948,673</td>
</tr>
</tbody>
</table>

IMF - SDR Deposits represent the rupee equivalent of the deposit of SDR 207,203,854 (2021: SDR 70,911,549) by the IMF to the Republic of Mauritius.

IMF - Reserve Tranche Position of the Republic of Mauritius with IMF stood at SDR 40,052,821 (2021: SDR 34,915,303), whilst the Quota amounted to SDR 142,200,000 (2021: SDR 142,200,000).

The movement in the Reserve Tranche is as follows:

<table>
<thead>
<tr>
<th>30 June 2022</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>Balance as at 1 July</td>
<td>2,123,814,085</td>
</tr>
<tr>
<td>(Loss)/Gain on Foreign Exchange Transactions</td>
<td>(16,155,956)</td>
</tr>
<tr>
<td>Transactions during the year</td>
<td>310,502,902</td>
</tr>
<tr>
<td>Balance as at 30 June</td>
<td>2,418,161,031</td>
</tr>
</tbody>
</table>
11. BIOLOGICAL ASSETS

<table>
<thead>
<tr>
<th>30 June 2022</th>
<th>Rs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bearer Biological assets</td>
<td>7,893,984</td>
</tr>
<tr>
<td>Consumable Biological Assets (N1)</td>
<td>778,799,359</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>786,693,343</strong></td>
</tr>
</tbody>
</table>

N1: Consumable Biological Assets exclude agricultural produce. Agricultural produce has been recognised under Inventory (Refer to Note 9).

Biological Assets have been recognised for the first time in the financial statements for the financial year 2021-2022. Due to unavailability of information, the comparative information for the financial year 2020-2021 have not been recognised.
## 12. PROPERTY, PLANT AND EQUIPMENT

<table>
<thead>
<tr>
<th>Infrastructure, Plant and Equipment</th>
<th>Land and Buildings</th>
<th>Asset Under Construction (AUC)</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Infrastructure Assets</strong></td>
<td><strong>Transport Equipment</strong></td>
<td><strong>Other Machinery &amp; Equipment</strong></td>
<td><strong>Land</strong></td>
</tr>
<tr>
<td><strong>Rs</strong></td>
<td><strong>Rs</strong></td>
<td><strong>Rs</strong></td>
<td><strong>Rs</strong></td>
</tr>
<tr>
<td><strong>COST</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjustment¹²</td>
<td>218,250,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Additions</strong></td>
<td>1,381,446,333</td>
<td>251,570,491</td>
<td>1,002,240,847</td>
</tr>
<tr>
<td>Transfer from AUC</td>
<td>863,266,303</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Disposal</td>
<td>-</td>
<td>(725,000)</td>
<td>(5,508,790)</td>
</tr>
<tr>
<td>Impairment</td>
<td>-</td>
<td>(48,552,341)</td>
<td>-</td>
</tr>
<tr>
<td>Adjustment¹²</td>
<td>44,249,358</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Adjustment²</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>At 30 June 2021 (Restated)</strong></td>
<td>118,460,276,666</td>
<td>10,667,190,976</td>
<td>11,017,835,387</td>
</tr>
<tr>
<td><strong>Additions</strong></td>
<td>524,069,206</td>
<td>1,244,982,266</td>
<td>988,122,946</td>
</tr>
<tr>
<td>Transfer from AUC</td>
<td>29,428,930</td>
<td>-</td>
<td>586,186</td>
</tr>
<tr>
<td>Disposal</td>
<td>-</td>
<td>(122,383,588)</td>
<td>(10,163,371)</td>
</tr>
<tr>
<td>Adjustment³</td>
<td>-</td>
<td>-</td>
<td>10,899,120,323</td>
</tr>
<tr>
<td><strong>At 30 June 2022</strong></td>
<td>119,013,774,802</td>
<td>11,789,789,654</td>
<td>11,996,381,148</td>
</tr>
</tbody>
</table>
## Infrastructure, Plant and Equipment

<table>
<thead>
<tr>
<th></th>
<th>Infrastructure Assets</th>
<th>Transport Equipment</th>
<th>Other Machinery &amp; Equipment</th>
<th>Land</th>
<th>Buildings</th>
<th>Other Assets</th>
<th>Asset Under Construction (AUC)</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 30 June 2020</td>
<td>7,649,583,436</td>
<td>4,887,500,612</td>
<td>6,240,910,834</td>
<td>-</td>
<td>7,453,346,421</td>
<td>-</td>
<td>-</td>
<td>26,231,341,303</td>
</tr>
<tr>
<td>Adjustment1</td>
<td>4,365,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,365,000</td>
</tr>
<tr>
<td>At 30 June 2020 (Restated)</td>
<td>7,653,948,436</td>
<td>4,887,500,612</td>
<td>6,240,910,834</td>
<td>-</td>
<td>7,453,346,421</td>
<td>-</td>
<td>-</td>
<td>26,235,706,303</td>
</tr>
<tr>
<td>Charge for the year</td>
<td>2,450,161,438</td>
<td>607,881,622</td>
<td>964,160,221</td>
<td>-</td>
<td>643,718,962</td>
<td>-</td>
<td>-</td>
<td>4,665,922,243</td>
</tr>
<tr>
<td>Disposal</td>
<td>-</td>
<td>(725,000)</td>
<td>(4,586,167)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(5,311,167)</td>
</tr>
<tr>
<td>Adjustment1</td>
<td>5,249,987</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5,249,987</td>
</tr>
<tr>
<td>At 30 June 2021 (Restated)</td>
<td>10,109,359,861</td>
<td>5,494,657,234</td>
<td>7,200,484,888</td>
<td>-</td>
<td>8,097,065,383</td>
<td>-</td>
<td>-</td>
<td>30,901,567,366</td>
</tr>
<tr>
<td>Charge for the year</td>
<td>2,468,352,056</td>
<td>644,092,054</td>
<td>967,457,541</td>
<td>-</td>
<td>668,671,463</td>
<td>-</td>
<td>-</td>
<td>4,748,573,114</td>
</tr>
<tr>
<td>Disposal</td>
<td>-</td>
<td>(115,540,659)</td>
<td>(9,572,144)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(125,112,803)</td>
</tr>
<tr>
<td>At 30 June 2022</td>
<td>12,577,711,917</td>
<td>6,023,208,629</td>
<td>8,158,370,285</td>
<td>-</td>
<td>8,765,736,846</td>
<td>-</td>
<td>-</td>
<td>35,525,027,677</td>
</tr>
</tbody>
</table>

### Carrying Amounts

<table>
<thead>
<tr>
<th></th>
<th>Infrastructure Assets</th>
<th>Transport Equipment</th>
<th>Other Machinery &amp; Equipment</th>
<th>Land</th>
<th>Buildings</th>
<th>Other Assets</th>
<th>Asset Under Construction (AUC)</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 30 June 2021 (Restated)</td>
<td>108,350,916,805</td>
<td>5,172,533,742</td>
<td>3,817,350,499</td>
<td>368,602,447,365</td>
<td>24,092,801,786</td>
<td>7,030,000</td>
<td>4,662,068,676</td>
<td>514,705,148,873</td>
</tr>
<tr>
<td>At 30 June 2022</td>
<td>106,436,062,885</td>
<td>5,766,581,025</td>
<td>3,838,010,863</td>
<td>380,617,156,900</td>
<td>24,672,893,840</td>
<td>10,048,000</td>
<td>7,512,973,525</td>
<td>528,853,727,038</td>
</tr>
</tbody>
</table>

1. Relates to Infrastructure Assets (Roads). Refer to Note 37 (iv) on prior year adjustments.
2. Relates to Sniffer Dogs. Refer to Note 37(iv) on prior year adjustments.
3. (a) Rs 10,899,120,323 relates to the Revised Land estimate, further to the Valuation Department Report as at 30 June 2022.
   (b) Under Other Assets, Bearer Plants and Plants to maintain the ecosystem amounting to Rs 2,678,000 have been recognised for the first time in the financial statements for the financial year 2021-2022. Due to unavailability of information, the comparative information for the financial year 2020-2021 have not been recognised.
NOTES TO THE FINANCIAL STATEMENTS

Land value of Rs 306,684,091,654 as at 30 June 2018, has been revised by Rs 10,899,120,323 to Rs 317,583,211,977 as at 30 June 2022.

The value of Other Assets (Sniffer Dogs) as at 30 June 2022 increased to Rs 7,370,000. The net increase of Rs 340,000 arised from additions of Rs 900,000 and disposal of Rs 560,000 during financial year 2021-2022.

Asset Under Construction included an amount of Rs 682,138,839 in respect of Infrastructure Assets in financial year 2021-2022. This amount consists of Rs 625,266,969 from the COVID-19 Projects Development Fund and Rs 56,871,870 from the National Environment and Climate Change Fund.

Donated assets amounting to Rs 10,754,444 (2021 (Restated): Rs 384,099,962) have been recognised in the financial year 2021-2022.

As at 30 June 2022, contractual commitments for the acquisition of Property, Plant and Equipment amounted to Rs 1,917,516,985 (2021: Rs 2,449,462,519).
### 13. INTANGIBLE ASSETS

<table>
<thead>
<tr>
<th></th>
<th>Licences &amp; Software (AUD)</th>
<th>Asset Under Development (AUD)</th>
<th>Total (AUD)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>COST</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 30 June 2020</td>
<td>2,734,480,350</td>
<td>125,014,514</td>
<td>2,859,494,864</td>
</tr>
<tr>
<td>Additions</td>
<td>146,290,568</td>
<td>122,755,964</td>
<td>269,046,532</td>
</tr>
<tr>
<td>Impairment</td>
<td>-</td>
<td>(153,086)</td>
<td>(153,086)</td>
</tr>
<tr>
<td><strong>At 30 June 2021</strong></td>
<td>2,880,770,918</td>
<td>247,617,392</td>
<td>3,128,388,310</td>
</tr>
<tr>
<td>Additions</td>
<td>186,023,897</td>
<td>167,527,344</td>
<td>353,551,241</td>
</tr>
<tr>
<td>Transfer from AUD</td>
<td>356,842,116</td>
<td>(356,842,116)</td>
<td>-</td>
</tr>
<tr>
<td><strong>At 30 June 2022</strong></td>
<td>3,423,636,931</td>
<td>58,302,620</td>
<td>3,481,939,551</td>
</tr>
</tbody>
</table>

**AMORTISATION**

<table>
<thead>
<tr>
<th></th>
<th>Licences &amp; Software (AUD)</th>
<th>Asset Under Development (AUD)</th>
<th>Total (AUD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 30 June 2020 (Restated)</td>
<td>2,043,850,689</td>
<td>-</td>
<td>2,043,850,689</td>
</tr>
<tr>
<td>Charge for the year</td>
<td>200,195,264</td>
<td>-</td>
<td>200,195,264</td>
</tr>
<tr>
<td><strong>At 30 June 2021</strong></td>
<td>2,244,045,953</td>
<td>-</td>
<td>2,244,045,953</td>
</tr>
<tr>
<td>Charge for the year</td>
<td>223,120,277</td>
<td>-</td>
<td>223,120,277</td>
</tr>
<tr>
<td><strong>At 30 June 2022</strong></td>
<td>2,467,166,230</td>
<td>-</td>
<td>2,467,166,230</td>
</tr>
</tbody>
</table>

**Carrying Amounts**

<table>
<thead>
<tr>
<th></th>
<th>Licences &amp; Software (AUD)</th>
<th>Asset Under Development (AUD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 30 June 2021</td>
<td>636,724,965</td>
<td>247,617,392</td>
</tr>
<tr>
<td>At 30 June 2022</td>
<td>956,470,701</td>
<td>58,302,620</td>
</tr>
</tbody>
</table>

Donated assets amounting to Rs 2,883,097 have been recognised in the financial year 2021-2022.

As at 30 June 2022, contractual commitments for the acquisition of Intangible Assets amounted to Rs 9,947,768 (2021: Rs 1,887,923).
NOTES TO THE FINANCIAL STATEMENTS

14. PAYABLES

<table>
<thead>
<tr>
<th></th>
<th>30 June 2022</th>
<th>30 June 2021 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of Borrowings</td>
<td>Rs 36,090,982</td>
<td>Rs 13,907,394</td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>Rs 884,183,173</td>
<td>Rs 1,225,644,186</td>
</tr>
<tr>
<td>Retention Money on Contracts</td>
<td>Rs 60,998,702</td>
<td>Rs 453,258,327</td>
</tr>
<tr>
<td>Carry-over of Capital Expenditure</td>
<td>Rs 194,440,980</td>
<td>Rs 211,362,427</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>Rs 1,175,713,837</td>
<td>Rs 1,904,172,334</td>
</tr>
</tbody>
</table>

- Within one year         | Rs 1,175,300,637| Rs 1,648,929,438 |
- After one year           | Rs 413,200       | Rs 255,242,896   |
| **Total**                | Rs 1,175,713,837| Rs 1,904,172,334 |

Cost of Borrowings is made up of accrued interest on re-opening of Government Securities and Management Charges payable as at 30 June. Details are as follows:

<table>
<thead>
<tr>
<th></th>
<th>30 June 2022</th>
<th>30 June 2021 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrued Interest on Re-opening of Government Securities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government Bonds</td>
<td>Rs 16,962,000</td>
<td>Rs 6,080,000</td>
</tr>
<tr>
<td>Treasury Notes</td>
<td>Rs 15,150,000</td>
<td>Rs 5,227,000</td>
</tr>
<tr>
<td>Management Charges payable on:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic Debts</td>
<td>Rs 1,251,638</td>
<td>Rs 987,357</td>
</tr>
<tr>
<td>External Debts</td>
<td>Rs 2,727,344</td>
<td>Rs 1,613,037</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>Rs 36,090,982</td>
<td>Rs 13,907,394</td>
</tr>
</tbody>
</table>

Please refer to Note 37(v) for details on the prior year adjustments.
15. SOCIAL BENEFITS LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>30 June 2022</th>
<th>30 June 2021 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance as at 1 July</td>
<td>197,947,584</td>
<td>-</td>
</tr>
<tr>
<td>Payments made</td>
<td>(37,758,702,940)</td>
<td>(36,983,779,181)</td>
</tr>
<tr>
<td>for the year</td>
<td>37,715,200,156</td>
<td>37,181,726,765</td>
</tr>
<tr>
<td>Balance as at 30 June</td>
<td>154,444,800</td>
<td>197,947,584</td>
</tr>
</tbody>
</table>

- Within one year       | 154,444,800        | 197,947,584             |
- After one year         | -                  | -                       |
Total                   | 154,444,800        | 197,947,584             |

Refer to Note 37(vi) for details on the prior year adjustments.

Social Benefits liabilities includes Income Support and other allowances paid to eligible recipients under the Income Tax Act, Social Aid Act and National Pensions Act. These are mainly funded through Budget appropriation but also includes financing from Special Funds.

16. PROVISIONS

As at 30 June 2022, provisions to the amount of Rs 50 million have been made in respect of legal cases. These have been recognised for the first time in the financial statements for the financial year 2021-2022.

17. DEPOSITS

<table>
<thead>
<tr>
<th></th>
<th>30 June 2022</th>
<th>30 June 2021 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants</td>
<td>132,111,595</td>
<td>518,969,326</td>
</tr>
<tr>
<td>Deposits held with MRA</td>
<td>382,665,480</td>
<td>171,322,241</td>
</tr>
<tr>
<td>Other Deposits</td>
<td>4,444,693,860</td>
<td>7,734,650,318</td>
</tr>
<tr>
<td>Total</td>
<td>4,959,470,935</td>
<td>8,424,941,885</td>
</tr>
</tbody>
</table>

- Within one year       | 4,181,282,706      | 7,049,182,627           |
- After one year         | 778,188,229        | 1,375,759,258           |
Total                   | 4,959,470,935      | 8,424,941,885           |

The amount of liabilities recognised in respect of Grants that are subject to conditions are Rs 132,111,595 (2021: Rs 518,969,326). The figure for 30 June 2021 was amended from Rs 284,071,732 to Rs 518,969,326 due to a reclassification from ‘Other Deposits’.
NOTES TO THE FINANCIAL STATEMENTS

Deposits held with MRA represent amounts received from individuals at the time of lodging an objection against an assessment raised by the MRA. Please refer to note 37(vii) for details of prior year adjustments.

18. GOVERNMENT DEBT

<table>
<thead>
<tr>
<th></th>
<th>30 June 2022</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic and External Debts</td>
<td>Rs 392,647,328,874</td>
<td>Rs 380,880,889,867</td>
</tr>
<tr>
<td>IMF - SDR Allocations</td>
<td>Rs 14,073,119,767</td>
<td>Rs 5,888,449,212</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>Rs 406,720,448,641</strong></td>
<td><strong>Rs 386,769,339,079</strong></td>
</tr>
</tbody>
</table>

- Within one year           | Rs 75,292,727,805  | Rs 86,062,092,051   |
- After one year             | Rs 331,427,720,836 | Rs 300,707,247,028  |
| **Total**                  | **Rs 406,720,448,641** | **Rs 386,769,339,079** |

Details of the total debt of the Government are provided in Statement J – Statement of Public Sector Debt as at 30 June 2022.

A. Domestic and External Debts

Domestic and External Debts consist of outstanding balances of:

(i) Government of Mauritius (GOM) Treasury Bills, GOM Treasury Notes and Treasury Certificates issued by the Government for the financing of Government’s borrowing requirement;

(ii) GOM Securities issued by the Government for mopping up of excess liquidity;

(iii) GOM Bonds and other long-term Securities issued by the Government;

(iv) Silver Savings Bonds (SSB) and Silver Retirement Bonds (SRB); and

(v) Loans from domestic and foreign sources.
## Domestic Debt (N1) | External Debt | Total
---|---|---
### Balance at 30 June 2020
Rs | Rs | Rs
---|---|---
306,559,410,110 | 33,257,946,621 | 339,817,356,731

### Cash Flows:

- **Issue/Receipt**
  - Rs | Rs | Rs
  - 108,949,847,498 | 26,283,638,481 | 135,233,485,979

- **Redeemed/Repayment**
  - (93,018,891,370) | (4,909,609,707) | (97,928,501,077)

### Non-Cash Movement:

- **Direct Payments**
  - 67,641,481 | - | 67,641,481

- **Capitalised Interest on Conversion from SRB to SSB**
  - 23,953,476 | - | 23,953,476

- **Capitalisation of Interest**
  - 1,139,433 | - | 1,139,433

- **Expenses Disbursed Directly out of the Loan Proceeds**
  - - | 14,817,761 | 14,817,761

- **Losses on Foreign Exchange Transactions**
  - 9,194,644 | 6,546,690,629 | 6,555,885,273

- **Debt Forgiveness (N2)**
  - - | (152,872,482) | (152,872,482)

- **Other Changes (N3)**
  - (338,289,274) | (2,413,277,434) | (2,752,016,708)

### Balance at 30 June 2021
Rs | Rs | Rs
---|---|---
322,254,005,998 | 58,626,883,869 | 380,880,889,867

### Cash Flows:

- **Issue/Receipt**
  - 128,139,336,350 | 394,014,301 | 128,533,350,651

- **Redeemed/Repayment**
  - (110,828,931,400) | (4,154,147,794) | (114,983,079,194)

### Non-Cash Movement:

- **Direct Payments**
  - 204,768,526 | 778,101,728 | 982,870,254

- **Capitalised Interest on Conversion from SRB to SSB**
  - 33,802,504 | - | 33,802,504

- **Capitalisation of Interest**
  - 2,507,845 | - | 2,507,845

- **Expenses Disbursed Directly out of the Loan Proceeds**
  - - | 3,045,068 | 3,045,068

- **Losses/(Gains) on Foreign Exchange Transactions**
  - 19,942,787 | (3,984,578,073) | (3,964,635,286)

- **Other Changes (N3)**
  - 15,033,440 | 1,143,543,725 | 1,158,577,165

### Balance at 30 June 2022
Rs | Rs | Rs
---|---|---
339,840,466,050 | 52,806,862,824 | 392,647,328,874

### 30 June 2022 | 30 June 2021
---|---
Rs | Rs
- Within one year | 75,292,727,805 | 86,062,092,051
- After one year | 317,534,601,069 | 294,818,797,816
**Total** | **392,647,328,874** | **380,880,889,867**
NOTES TO THE FINANCIAL STATEMENTS

The maturity analysis of domestic and external debt is as follows:

<table>
<thead>
<tr>
<th></th>
<th>30 June 2022</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>Less than 1 year</td>
<td>75,292,727,805</td>
<td>86,062,092,051</td>
</tr>
<tr>
<td>Between 1 to 5 years</td>
<td>171,344,454,620</td>
<td>152,791,949,620</td>
</tr>
<tr>
<td>Between 5 to 10 years</td>
<td>67,288,512,142</td>
<td>69,773,053,856</td>
</tr>
<tr>
<td>Over 10 years</td>
<td>78,721,634,307</td>
<td>72,253,794,340</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>392,647,328,874</strong></td>
<td><strong>380,880,889,867</strong></td>
</tr>
</tbody>
</table>

N1: Domestic Debt includes Government Securities held by non-residents.

N2: The loan "Economic & Technical Cooperation - New Wards & OT Victoria Hospital" from the Government of the People’s Republic of China has been written off during the financial year ended 30 June 2021.

N3: Other changes pertain to non-exchange revenue and interest expense.

B. IMF- SDR Allocations

The rupee equivalent of the total allocation of SDR 233,097,854 (2021: SDR 96,805,549) made to the Republic of Mauritius, that is, Rs 14,073,119,767 as at 30 June 2022 (2021: Rs 5,888,449,212) is shown as liability and is also included in the Statement J - Statement of Public Sector Debt as at 30 June 2022.

19. FINANCIAL GUARANTEE LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>30 June 2022</th>
<th>30 June 2021 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>Balance as at 1 July</td>
<td>2,499,191,189</td>
<td>1,911,292,355</td>
</tr>
<tr>
<td>Increases (New Guarantees)</td>
<td>520,327,393</td>
<td>649,372,497</td>
</tr>
<tr>
<td>Remeasurement</td>
<td>(249,340,876)</td>
<td>(154,741,634)</td>
</tr>
<tr>
<td>Losses on Foreign Exchange Transactions</td>
<td>135,651,514</td>
<td>93,267,971</td>
</tr>
<tr>
<td><strong>Balance as at 30 June</strong></td>
<td><strong>2,905,829,220</strong></td>
<td><strong>2,499,191,189</strong></td>
</tr>
</tbody>
</table>

- Within one year | 139,784,961 | 113,689,361 |
- After one year | 2,766,044,259 | 2,385,501,828 |
| **Total** | **2,905,829,220** | **2,499,191,189** |

Details of the loan guaranteed by the Government as at 30 June 2022 are provided in Statement L - Statement of Contingent Liabilities including details of any Loans, Bank Overdrafts or Credit Facilities Guaranteed by Government as at 30 June 2022.

The prior year adjustment amounting to Rs 8,614,311 has been recognised as at 30 June 2021.

Refer to Note 37(viii) for details on the prior year adjustments.
### 20. EMPLOYEE BENEFIT OBLIGATIONS

<table>
<thead>
<tr>
<th>Description</th>
<th>30 June 2022</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liability in respect of Defined Benefit Plan</td>
<td>149,859,960,526</td>
<td>116,791,541,957</td>
</tr>
<tr>
<td>Accrued Sick Leave</td>
<td>9,427,078,682</td>
<td>7,502,597,860</td>
</tr>
<tr>
<td>Accrued Vacation Leave</td>
<td>9,654,518,879</td>
<td>8,546,146,865</td>
</tr>
<tr>
<td>Accrued Passage Benefits</td>
<td>4,041,397,096</td>
<td>3,689,162,874</td>
</tr>
<tr>
<td>Accrued Bonus</td>
<td>992,196,922</td>
<td>1,041,321,453</td>
</tr>
<tr>
<td>Accrued Basic Salary (PRB 2021)</td>
<td>-</td>
<td>457,462,969</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>173,975,152,105</strong></td>
<td><strong>138,028,233,978</strong></td>
</tr>
<tr>
<td>- Within one year</td>
<td>2,658,597,248</td>
<td>2,769,446,947</td>
</tr>
<tr>
<td>- After one year</td>
<td>171,316,554,857</td>
<td>135,258,787,031</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>173,975,152,105</strong></td>
<td><strong>138,028,233,978</strong></td>
</tr>
</tbody>
</table>

### 21. DEFINED BENEFIT PLAN

#### Amounts Recognised in Statement of Financial Position at End of Year:

<table>
<thead>
<tr>
<th>Description</th>
<th>30 June 2022</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defined Benefit Obligations</td>
<td>149,859,960,526</td>
<td>116,791,541,957</td>
</tr>
<tr>
<td>Fair Value of Plan Assets</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Liability Recognised in Statement of Financial Position at End of Year</strong></td>
<td><strong>149,859,960,526</strong></td>
<td><strong>116,791,541,957</strong></td>
</tr>
</tbody>
</table>

#### Amounts Recognised in Statement of Financial Performance:

<table>
<thead>
<tr>
<th>Description</th>
<th>30 June 2022</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charge to Surplus or Deficit</td>
<td>7,646,923,153</td>
<td>7,537,414,996</td>
</tr>
</tbody>
</table>

#### Amounts Recognised in Statement of Net Assets or Equity:

<table>
<thead>
<tr>
<th>Description</th>
<th>30 June 2022</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Assets or Equity</td>
<td>33,810,783,877</td>
<td>-</td>
</tr>
</tbody>
</table>

The plan is a defined benefit arrangement for the employees and it is unfunded.

Weighted average duration of the defined benefit obligations: 13 years

(Calculated as a % change in PV of liabilities for a 1% change in discount rate)
NOTES TO THE FINANCIAL STATEMENTS

The plan is exposed to actuarial risks such as: longevity risk, salary increase risk and pension increase risk.

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:

<table>
<thead>
<tr>
<th></th>
<th>Year Ended 30 June 2022</th>
<th>Year Ended 30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount Rate</td>
<td>5.15%</td>
<td>6.50%</td>
</tr>
<tr>
<td>Future Salary Increases</td>
<td>2.50%</td>
<td>4.00%</td>
</tr>
<tr>
<td>Future Pension Increases</td>
<td>1.50%</td>
<td>3.00%</td>
</tr>
<tr>
<td>Mortality before Retirement</td>
<td>Nil</td>
<td>PA (90) Tables rated down by 2 years</td>
</tr>
<tr>
<td>Mortality in Retirement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retirement Age</td>
<td></td>
<td>65 years</td>
</tr>
</tbody>
</table>

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

Significant actuarial assumptions for determination of the defined benefit obligations are discount rate and expected salary increase. 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 obligations would decrease by Rs 17,144 million (increase by Rs 21,267 million) if all other assumptions were held unchanged.
- If the expected salary growth would increase (decrease) by 1%, the defined benefit obligations would increase by Rs 8,880 million (decrease by Rs 7,590 million) if all assumptions were held unchanged.
- If life expectancy would increase (decrease) by one year, the defined benefit obligations would increase by Rs 4,483 million (decrease by Rs 4,469 million) if all assumptions were held unchanged.

There may be interrelationships between the assumptions, especially between discount rate and expected salary increases, given that both depend to a certain extent on expected inflation rates. The analysis above abstracts from these interdependence between the assumptions.

22. NET ASSETS/EQUITY

The Net Assets/Equity is the net position of the Government after deducting all its liabilities from its assets at end of the year and comprises the following:

a) Consolidated Fund (Cash basis);
b) Accumulated Surplus; and
c) Special Funds.

NOTES TO THE FINANCIAL STATEMENTS

(a) Consolidated Fund

Consolidated Fund has been established by Section 103 of the Constitution of the Republic of Mauritius. In accordance with Section 3 of the Finance and Audit Act, the Consolidated Fund has, during the year under review been:

(i) credited with all the revenues of the Government and all other money properly accruing to it; and
(ii) charged only with expenses on the authority of warrant issued by the Minister of Finance.

(b) Accumulated Surplus

This represents the accumulated surplus to date, of the Budgetary Central Government of Mauritius after making necessary adjustments for accrual accounting which is provided in Statement AC – Statement of Changes in Net Assets or Equity for the financial year 2021 - 2022.

(c) Special Funds

These are monies deposited with the Accountant-General by the various funds set up under the Finance and Audit Act. The total balance of Special Funds as at 30 June 2022 disclosed in Statement H – Statement of Special Funds Deposited with the Accountant-General as at 30 June 2022 amounted to Rs 34,734,728,653 and comprise of investments at cost and cash balances to the amount of Rs 18,882,000,000 and Rs 15,852,728,653 respectively. Details of Special Funds are provided in Statement H – Statement of Special Funds Deposited with the Accountant-General as at 30 June 2022.

Investments of Special Funds have been recognised at amortised cost for the first time in the financial statements for the year ended 30 June 2022 and comparative figures have been restated. The total balance of Special Funds in the Statement of Financial Position includes investments at amortised cost and amounted to Rs 34,782,615,971 (2021 (Restated): Rs 36,526,471,482).

A reconciliation of the figure in investments by Special Funds disclosed in Statement H – Statement of Special Funds Deposited with the Accountant-General as at 30 June 2022 to the figure reported in Statement A – Statement of Financial Position as at 30 June 2022 is shown as follows:

<table>
<thead>
<tr>
<th></th>
<th>Year ended 30 June 2022</th>
<th>Year ended 30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Opening Balance (at cost)</strong></td>
<td>10,920,000,000</td>
<td>320,000,000</td>
</tr>
<tr>
<td><strong>Additions during the year</strong></td>
<td>8,002,000,000</td>
<td>10,600,000,000</td>
</tr>
<tr>
<td><strong>Redemption of fixed deposits</strong></td>
<td>(40,000,000)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Closing Balance (at cost)</strong></td>
<td>18,882,000,000</td>
<td>10,920,000,000</td>
</tr>
<tr>
<td><strong>Total interest receivable</strong></td>
<td>47,887,318</td>
<td>38,814,319</td>
</tr>
<tr>
<td><strong>Closing Balance (at amortised cost)</strong></td>
<td>18,929,887,318</td>
<td>10,958,814,319</td>
</tr>
</tbody>
</table>
### 23. TAXATION

<table>
<thead>
<tr>
<th>Taxation Type</th>
<th>Year Ended 30 June 2022</th>
<th>Year Ended 30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs</td>
<td>(Restated) Rs</td>
</tr>
<tr>
<td>Taxes on Income and Profits</td>
<td>33,959,578,569</td>
<td>27,699,617,536</td>
</tr>
<tr>
<td>Taxes on Property</td>
<td>33,772,617</td>
<td>39,570,922</td>
</tr>
<tr>
<td>Taxes on Goods and Services</td>
<td>69,216,078,724</td>
<td>38,681,766,809</td>
</tr>
<tr>
<td>Taxes on International Trade and Transactions</td>
<td>1,526,118,366</td>
<td>19,970,285,522</td>
</tr>
<tr>
<td>Other Taxes</td>
<td>1,430,860,309</td>
<td>1,733,056,445</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>106,166,408,585</strong></td>
<td><strong>88,124,297,234</strong></td>
</tr>
</tbody>
</table>

For the financial year under review, revenue from taxation have been measured on an accrual basis. However, the comparative figures for the year 2020-2021 for Taxes on Income and Profits were recognised on a partial accrual basis and hence is not entirely comparable.

### 24. GRANTS AND AID

<table>
<thead>
<tr>
<th>Grants Source</th>
<th>Year Ended 30 June 2022</th>
<th>Year Ended 30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs</td>
<td>(Restated) Rs</td>
</tr>
<tr>
<td>Grants from Foreign Governments</td>
<td>1,729,775,550</td>
<td>1,334,478,570</td>
</tr>
<tr>
<td>Grants from International Organisations</td>
<td>110,638,968</td>
<td>312,866,497</td>
</tr>
<tr>
<td>Grants from Other General Government Units</td>
<td>1,039,999,876</td>
<td>570,020,341</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,880,414,394</strong></td>
<td><strong>2,217,365,408</strong></td>
</tr>
</tbody>
</table>

### 25. OTHER TRANSFERS

<table>
<thead>
<tr>
<th>Other Transfers</th>
<th>Year Ended 30 June 2022</th>
<th>Year Ended 30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs</td>
<td>(Restated) Rs</td>
</tr>
<tr>
<td>Transfer of Surplus Cash Balances from Statutory Bodies and Special Funds</td>
<td>-</td>
<td>150,000,000</td>
</tr>
<tr>
<td>Contribution from Bank of Mauritius (N1)</td>
<td>-</td>
<td>55,000,000,000</td>
</tr>
<tr>
<td>Contribution in respect of Tourism Development Projects on State Lands</td>
<td>23,610,000</td>
<td>-</td>
</tr>
<tr>
<td>Concessionary Loans</td>
<td>239,845,251</td>
<td>2,680,356,224</td>
</tr>
<tr>
<td>Goods in-kind</td>
<td>285,267,995</td>
<td>397,414,268</td>
</tr>
<tr>
<td>Debt Forgiveness</td>
<td>-</td>
<td>152,872,482</td>
</tr>
<tr>
<td>Others</td>
<td>100,000,000</td>
<td>287,125</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>648,723,246</strong></td>
<td><strong>58,380,930,099</strong></td>
</tr>
</tbody>
</table>

N1: This represents a One-off Solidarity Contribution from Bank of Mauritius.
NOTES TO THE FINANCIAL STATEMENTS

26. LICENCES

<table>
<thead>
<tr>
<th></th>
<th>Year Ended</th>
<th>Year Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30 June 2022</td>
<td>30 June 2021</td>
</tr>
<tr>
<td></td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>Road Motor Vehicle Licences</td>
<td>1,802,014,171</td>
<td>1,704,328,693</td>
</tr>
<tr>
<td>Company and Other Licences</td>
<td>924,215,931</td>
<td>795,298,863</td>
</tr>
<tr>
<td>Total</td>
<td>2,726,230,102</td>
<td>2,499,627,556</td>
</tr>
</tbody>
</table>

27. DIVIDENDS

<table>
<thead>
<tr>
<th></th>
<th>Year Ended</th>
<th>Year Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30 June 2022</td>
<td>30 June 2021</td>
</tr>
<tr>
<td></td>
<td>(Restated)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>Dividends from Quoted and Unquoted Investments</td>
<td>652,434,612</td>
<td>203,021,509</td>
</tr>
<tr>
<td>Similar Distributions from Quasi Corporations</td>
<td>8,444,795,232</td>
<td>992,103,379</td>
</tr>
<tr>
<td>Total</td>
<td>9,097,229,844</td>
<td>1,195,124,888</td>
</tr>
</tbody>
</table>

28. OTHER REVENUE

<table>
<thead>
<tr>
<th></th>
<th>Year Ended</th>
<th>Year Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30 June 2022</td>
<td>30 June 2021</td>
</tr>
<tr>
<td></td>
<td>(Restated)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>Civil Service Family Protection Scheme</td>
<td>347,681,352</td>
<td>312,270,667</td>
</tr>
<tr>
<td>Miscellaneous Revenue</td>
<td>191,233,206</td>
<td>173,164,234</td>
</tr>
<tr>
<td>Total</td>
<td>538,914,558</td>
<td>485,434,901</td>
</tr>
</tbody>
</table>

29. EMPLOYEE COSTS

<table>
<thead>
<tr>
<th></th>
<th>Year Ended</th>
<th>Year Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30 June 2022</td>
<td>30 June 2021</td>
</tr>
<tr>
<td></td>
<td>(Restated)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>Wages, Salaries, Compensations and Allowances</td>
<td>29,214,988,589</td>
<td>27,458,142,212</td>
</tr>
<tr>
<td>Contributions to Defined Contribution Plan, Family Protection Scheme, National Savings Fund and Social Contributions</td>
<td>2,028,372,299</td>
<td>1,789,460,100</td>
</tr>
<tr>
<td>Amount Recognised in respect of Defined Benefit Plans (Note 21)</td>
<td>7,646,923,153</td>
<td>7,537,414,996</td>
</tr>
<tr>
<td>Other Employee Benefits</td>
<td>8,188,702,619</td>
<td>5,191,894,302</td>
</tr>
<tr>
<td>Total</td>
<td>47,078,986,660</td>
<td>41,976,911,610</td>
</tr>
</tbody>
</table>

Other employee benefits include cash in lieu of vacation leave, cash in lieu of sick leave, passage benefits, cash in lieu of passage benefits, gratuity, travelling and transport, staff welfare amongst others.
## 30. GRANTS

<table>
<thead>
<tr>
<th>Grants Type</th>
<th>Year Ended</th>
<th>Year Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30 June 2022</td>
<td>30 June 2021</td>
</tr>
<tr>
<td>Donations and Contributions</td>
<td>Rs 426,298,673</td>
<td>Rs 29,783,095,328</td>
</tr>
<tr>
<td>Capital Grants</td>
<td>Rs 13,701,825,343</td>
<td>Rs 4,209,046,254</td>
</tr>
<tr>
<td>Current Grants</td>
<td>Rs 24,655,982,719</td>
<td>Rs 21,607,191,105</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>Rs 38,784,106,735</strong></td>
<td><strong>Rs 55,599,332,687</strong></td>
</tr>
</tbody>
</table>

## 31. SOCIAL BENEFITS

<table>
<thead>
<tr>
<th>Social Benefits</th>
<th>Year Ended</th>
<th>Year Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30 June 2022</td>
<td>30 June 2021 (Restated)</td>
</tr>
<tr>
<td>Pension (Retirement, Widow, Invalid and Others)</td>
<td>Rs 36,497,418,816</td>
<td>Rs 35,518,665,809</td>
</tr>
<tr>
<td>Other Social Benefits</td>
<td>Rs 1,217,781,340</td>
<td>Rs 1,663,060,956</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>Rs 37,715,200,156</strong></td>
<td><strong>Rs 37,181,726,765</strong></td>
</tr>
</tbody>
</table>

Social benefits have been measured on an accrual basis for the financial year 2021-2022. However, the comparative figures for the year 2020-2021 were recognised on a partial accrual basis and hence are not entirely comparable.

## 32. OPERATING EXPENSES

<table>
<thead>
<tr>
<th>Expenses Type</th>
<th>Year Ended</th>
<th>Year Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30 June 2022</td>
<td>30 June 2021</td>
</tr>
<tr>
<td>Cost of Utilities</td>
<td>Rs 857,641,984</td>
<td>Rs 846,730,915</td>
</tr>
<tr>
<td>Fuel and Oil</td>
<td>Rs 308,254,864</td>
<td>Rs 267,018,515</td>
</tr>
<tr>
<td>Rental Expense</td>
<td>Rs 1,152,083,915</td>
<td>Rs 1,145,769,653</td>
</tr>
<tr>
<td>Office Expenses</td>
<td>Rs 122,320,626</td>
<td>Rs 123,400,037</td>
</tr>
<tr>
<td>Maintenance</td>
<td>Rs 1,310,032,264</td>
<td>Rs 1,203,534,770</td>
</tr>
<tr>
<td>Cleaning Services</td>
<td>Rs 955,525,606</td>
<td>Rs 937,009,235</td>
</tr>
<tr>
<td>Medical Supplies, Drugs and Scientific Equipment</td>
<td>Rs 2,999,005,005</td>
<td>Rs 2,732,338,878</td>
</tr>
<tr>
<td>Travelling and Mission Expenses</td>
<td>Rs 611,526,249</td>
<td>Rs 241,223,590</td>
</tr>
<tr>
<td>Other Operating Expenses</td>
<td>Rs 3,928,289,267</td>
<td>Rs 3,585,089,324</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>Rs 12,244,679,780</strong></td>
<td><strong>Rs 11,082,114,917</strong></td>
</tr>
</tbody>
</table>
33. OTHER EXPENSES

<table>
<thead>
<tr>
<th>Item</th>
<th>Year Ended 30 June 2022 (Rs)</th>
<th>Year Ended 30 June 2021 (Restated) (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfers</td>
<td>2,548,019,485</td>
<td>7,973,453,146</td>
</tr>
<tr>
<td>Insurance</td>
<td>26,456,745</td>
<td>9,269,038</td>
</tr>
<tr>
<td>Compensation arising out of Government Liability</td>
<td>19,513,050</td>
<td>13,948,495</td>
</tr>
<tr>
<td>Refund/Payment of taxes icw projects and schemes financed by</td>
<td>212,908,682</td>
<td>192,358,199</td>
</tr>
<tr>
<td>Development Partners or under Special Programmes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impairment Loss on Receivables from Exchange Transactions (N1)</td>
<td>40,756,226</td>
<td>14,596,293</td>
</tr>
<tr>
<td>Impairment Loss on Receivables from Non-Exchange Transactions (N2)</td>
<td>373,251,487</td>
<td>-</td>
</tr>
<tr>
<td>Receivables from Exchange Transactions Write-Off (N1)</td>
<td>2,600</td>
<td>1,526,409,775</td>
</tr>
<tr>
<td>Receivables from Non-Exchange Transactions Write-Off (N2)</td>
<td>18,135,133</td>
<td>1,413,283</td>
</tr>
<tr>
<td>Loans, Advances and Inventories Write-Off</td>
<td>23,860,413</td>
<td>2,497,112,925</td>
</tr>
<tr>
<td>Others</td>
<td>1,255,535,771</td>
<td>2,157,357,750</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,518,439,592</strong></td>
<td><strong>14,385,918,904</strong></td>
</tr>
</tbody>
</table>

N1: Refer to Note 6 - Receivables from Exchange Transactions
N2: Refer to Note 5 - Receivables from Non-Exchange Transactions

34. FINANCE COSTS

<table>
<thead>
<tr>
<th>Item</th>
<th>Year Ended 30 June 2022 (Rs)</th>
<th>Year Ended 30 June 2021 (Restated) (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Expense on Domestic Debt</td>
<td>12,490,015,511</td>
<td>11,863,702,175</td>
</tr>
<tr>
<td>Interest Expense on External Debt</td>
<td>1,896,900,390</td>
<td>774,474,813</td>
</tr>
<tr>
<td>Management Charges</td>
<td>12,683,004</td>
<td>70,409,123</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>14,399,598,905</strong></td>
<td><strong>12,708,586,111</strong></td>
</tr>
</tbody>
</table>

35. TRANSACTIONS WITH INTERNATIONAL FINANCIAL ORGANISATIONS

(i) International Monetary Fund- Treasury Notes

Pursuant to Section 4(3) of the International Financial Organisations Act, non-interest bearing demand notes have been issued by the Government to the IMF, as part of the Quota subscription of the Republic of Mauritius. The value of the notes as at 30 June 2022 stood at Rs 5,911,380,000 (2021: Rs 6,220,530,000).
NOTES TO THE FINANCIAL STATEMENTS

(ii) Other International Financial Organisations

Pursuant to Section 4(3) of the International Financial Organisations Act, the Government has also issued non-negotiable securities to the International Development Association. The value of securities as at 30 June 2022 stood at Rs 9,196,738 (2021: Rs 9,196,738).

36. COMPARISON OF BUDGET AND ACTUAL AMOUNTS

The approved budget is in respect of revenue estimates and Government expenditure, both recurrent and capital, appropriated by votes for the financial year 2021-2022. The original estimates of expenditure amounting to Rs 145,700 million (2021: Rs 144,300 million) were passed by the National Assembly on 29 June 2021 and Supplementary Estimates amounting to Rs 9,500 million were passed on 13 June 2022 (2021: Rs 41,780 million).

The Statements AE and AF - Statement of Comparison of Budget Estimates and Actual Amounts for the financial year 2021-2022 are prepared on the same basis as the budget.

(i) Explanation between Original and Total Provisions (Final Budget)

The amounts presented under ‘Total Provisions’ in - Statements AE and AF - Statement of Comparison of Budget Estimates and Actual Amounts for the financial year 2021-2022 differed from the original estimates as there was a Supplementary Estimates approved in relation to the resurgence of COVID-19 pandemic and also funds were transferred or re-allocated in accordance with the Virement Rules.

(ii) Explanation of material differences between Original Estimates and Actual Amounts

The table hereunder provides the explanation for material variances:

<table>
<thead>
<tr>
<th>Budget line item</th>
<th>Variance amount Rs</th>
<th>Variance percentage</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recurrent Revenue</td>
<td>(2,575,495,233)</td>
<td>(1.9%)</td>
<td>The shortfall in recurrent revenue was mainly due to the following: (i) lower consumption than expected; (ii) temporary closure of our borders with our main tourist markets following the spread of the new Omicron variant; (iii) casinos and gaming houses were not authorised to operate until 15 October 2021 in view of COVID-19 pandemic; and (iv) non remittance of surplus cash balance by the State Trading Corporation (STC) following the determination by Privy Council in the case of STC vs Betamax.</td>
</tr>
<tr>
<td>Budget line item</td>
<td>Variance amount Rs</td>
<td>Variance percentage</td>
<td>Explanation</td>
</tr>
<tr>
<td>------------------------------</td>
<td>-------------------</td>
<td>---------------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Recurrent Expenditure</td>
<td>4,193,944,619</td>
<td>3.1%</td>
<td>The lower revenue was partly offset by higher collection from income tax and property tax.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Recurrent expenditure was higher mainly due to:</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(i) increase in salaries following implementation of the PRB Report with effect from 1st January 2021 and its impact on other staff related costs and public service pensions;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(ii) purchase of PCR test kits, rapid antigen test kits and other medical disposables related to COVID-19 pandemic and payments to hotels used as quarantine centres during the period March 2021 to September 2021; and</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(iii) implementation of a subsidy on electricity tariff for a 12-month period as from 1st January 2022.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>These were partly offset by funds appropriated for contingencies and underspending on certain schemes such as Youth Employment Programme and allowance in connection with National Minimum wage.</td>
</tr>
<tr>
<td>Capital Revenue</td>
<td>(1,932,840,247)</td>
<td>(49.2%)</td>
<td>Capital revenue was lower due to lower disbursement in respect of grant funded projects.</td>
</tr>
<tr>
<td>Capital Expenditure</td>
<td>(4,560,294,264)</td>
<td>(16.7%)</td>
<td>Capital expenditure was lower mainly due to delays in implementation of some projects such as construction of roads, hospitals, dam, police training academy, pipe replacement and water distribution projects.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>The lower spending was, however, partly offset by additional transfer to COVID-19 Projects Development Fund to ensure smooth implementation of the National Flood Management Programme announced in the Budget Speech.</td>
</tr>
<tr>
<td>Net Acquisition of Financial Assets</td>
<td>(12,955,579,754)</td>
<td>(208%)</td>
<td>There was disposal of shares held by Government in Airport of Mauritius Co. Ltd to Airport Holdings Ltd.</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL STATEMENTS

37. PRIOR YEAR ADJUSTMENTS

Prior year adjustments have been made to the carrying amounts of items presented in the Statement A - Statement of Financial Position as at 30 June 2022 and Statement AC - Statement of Changes in Net Assets or Equity for the financial year 2021-2022. These changes have also resulted in the restatement of certain amounts presented in the Statements AA and AB - Statement of Financial Performance for the financial year 2021-2022.

(i) Receivables from Non-Exchange Transactions
Receivables from Non-Exchange Transactions (Gross) was understated by Rs 1,731,136,010 in the financial year 2020-2021. Relevant adjustments have been made to restate the comparative figures.

Loss allowance on receivables from non-exchange transactions amounting to Rs 541,787,787 has been recognised for the first time in the financial statements for the financial year 2020-2021. In this respect, prior year figures have been restated retrospectively.

(ii) Receivables from Exchange Transactions
Receivables from Exchange Transactions was understated by Rs 63,209,196 in the financial year 2020-2021. Relevant adjustments have been made to restate the comparative figures.

Impairment loss amounting to Rs 14,773,932 has been restated to include an amount of Rs 177,639 in respect of rent and royalties which has been recognised for the first time in the financial year 2020-2021.

(iii) Investments
Equity Investments - Unquoted Investments

Dividends capitalised to the amount of Rs 91,922,937 and Rs 201,617 were received in financial year 2020-2021 with respect to investments in Eastern & Southern African Trade & Development Bank and PTA Reinsurance Company respectively. The costs of these investments have been increased retrospectively and this has impacted on gains on foreign transactions. The comparative gains on foreign transactions has increased by Rs 12,099,849 and the fair value loss on investments has increased by Rs 104,224,403.

As at 30 June 2021, the fair value of National Property Fund Ltd (NPFL) amounted to Rs 10,169,021,065 based on a fair valuation exercise relying on NPFL’s unaudited financial statements for the financial year 2020-2021. The fair value has been restated to NIL as at 30 June 2021 based on the audited accounts received this year. Comparative fair value loss on investments has therefore increased by Rs 10,169,021,065.

Prior to financial year 2020-2021, dividends capitalised to the amount of Rs 87,542,932 were also received. Adjustments to comparative figures are shown in Note 8 - Investments.

Other Investments

Other investments have been recognised at amortised cost instead of cost for the first time in the financial statements for the year ended 30 June 2022. In this respect, the prior year figures have been restated retrospectively by Rs 37,109,015 and Rs 10,825,056 for financial year 2019-2020 and 2020-2021, respectively.
NOTES TO THE FINANCIAL STATEMENTS

(iv) Property, Plant and Equipment

I. Infrastructure Assets

Roads cost were undervalued by:

a) Rs 218,250,000 in the financial year 2019-2020 and the corresponding depreciation of Rs 4,365,000 charged in financial year 2019-2020 and 2020-2021; and

b) Rs 44,249,358 in respect of roads construction being financed by the Private Sector in financial year 2020-2021. The corresponding depreciation adjustment of Rs 884,987 was subsequently charged in financial year 2020-2021.

II. Transport Equipment

An Aircraft which was decommissioned in December 2020 was impaired by Rs 48,552,341 in financial year 2020-2021.

III. Other Assets

Sniffer Dogs valued at Rs 7,030,000 were recognised in financial year 2020-2021.

(v) Payables

Cost of Borrowings

These have been restated by Rs 2,600,394 in the financial year 2020-2021 due to adjustment to management charges.

Accounts Payable

Accrual with respect to employer share of Social Contributions has been recognised for the first time in the financial statements for the year ended 30 June 2022. In this respect, the prior year figures have been restated retrospectively by Rs 86,892,308.

(vi) Social Benefits Liabilities and Accounts Payables

Social benefits liabilities have been recognised in the financial statements for the year ended 30 June 2022. In this respect, the prior year figures have been restated retrospectively by Rs 197,947,584 and this includes a reclassification of Rs 433,475 from accounts payable to social benefits liabilities.

(vii) Deposits

Deposits have been restated to include an amount of Rs 171,322,241 representing deposits held with the MRA for objections raised against assessments. These were previously recognised net in the amount receivable from exchange and non-exchange transactions.

(viii) Financial Guarantee Liabilities

Financial Guarantee Liabilities as at 30 June 2021 were understated by Rs 8,614,311. Relevant adjustments have been made to restate the comparative figures. This has also resulted in the opening balance as at 1 July 2020 being restated by Rs 7,515,032.
NOTES TO THE FINANCIAL STATEMENTS

(ix) Adjustments to Consolidated Fund and Accumulated Surplus

Consolidated Fund balance has been restated by Rs 7,808,232,665 following a misclassification between Accumulated Surplus and Consolidated Fund.

(x) Adjustments to Special Funds

Special Funds balance has been restated by Rs 38,814,319 following other investments being accounted at amortised cost.

The new accounting policies provide a fair presentation and more relevant information in accordance with international best practice.

The effects of the above changes are illustrated below:

<table>
<thead>
<tr>
<th>Statement of Financial Performance (Classification of Expenses by Nature) (extract)</th>
<th>30 June 2021</th>
<th>Increase/(Decrease)</th>
<th>30 June 2021 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs</td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxation</td>
<td>86,592,522,100</td>
<td>1,531,775,134</td>
<td>88,124,297,234</td>
</tr>
<tr>
<td>Fines, Penalties and Forfeits</td>
<td>312,286,483</td>
<td>45,000</td>
<td>312,331,483</td>
</tr>
<tr>
<td>Other Transfers</td>
<td>58,336,680,740</td>
<td>44,249,359</td>
<td>58,380,930,099</td>
</tr>
<tr>
<td>Social Contributions</td>
<td>5,957,754,386</td>
<td>29,752,826</td>
<td>5,987,507,212</td>
</tr>
<tr>
<td>Finance Income</td>
<td>518,539,618</td>
<td>(98,029,692)</td>
<td>420,509,926</td>
</tr>
<tr>
<td>Dividends</td>
<td>1,103,000,334</td>
<td>92,124,554</td>
<td>1,195,124,888</td>
</tr>
<tr>
<td>Rent and Royalties</td>
<td>562,403,703</td>
<td>680,507</td>
<td>563,084,210</td>
</tr>
<tr>
<td>Sales of Goods and Services</td>
<td>1,455,186,400</td>
<td>60,947,136</td>
<td>1,516,133,536</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>404,851,533</td>
<td>80,583,368</td>
<td>485,434,901</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Costs</td>
<td>41,890,019,302</td>
<td>86,892,308</td>
<td>41,976,911,610</td>
</tr>
<tr>
<td>Social Benefits</td>
<td>36,995,410,629</td>
<td>186,316,136</td>
<td>37,181,726,765</td>
</tr>
<tr>
<td>Depreciation and Amortisation</td>
<td>4,866,117,507</td>
<td>5,249,987</td>
<td>4,871,367,494</td>
</tr>
<tr>
<td>Financial Guarantee Expense</td>
<td>493,531,584</td>
<td>1,099,278</td>
<td>494,630,862</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>14,326,737,483</td>
<td>59,181,421</td>
<td>14,385,918,904</td>
</tr>
<tr>
<td>Finance Costs</td>
<td>12,705,985,717</td>
<td>2,600,394</td>
<td>12,708,586,111</td>
</tr>
<tr>
<td><strong>Other Gains/(Losses)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss on Disposal of Property, Plant and Equipment</td>
<td>-</td>
<td>(568,893)</td>
<td>(568,893)</td>
</tr>
<tr>
<td>Fair Value Loss on Investments</td>
<td>17,723,697,903</td>
<td>(10,273,245,468)</td>
<td>(27,996,943,371)</td>
</tr>
<tr>
<td>Loss on Foreign Exchange Transactions</td>
<td>5,708,397,119</td>
<td>12,099,849</td>
<td>(5,696,297,270)</td>
</tr>
</tbody>
</table>

59
### Statement of Financial Position (extract)

#### Assets
- **Receivables from Non-Exchange Transactions**
  - 30-Jun-21 (Adjusted): 15,686,595,608
  - Increase/Decrease: 1,189,348,223
  - 30-Jun-21 (Restated): 16,875,943,831
  - 30-Jun-20: 8,526,959,101
  - 1-Jul-20 (Restated): 8,526,959,101

- **Receivables from Exchange Transactions**
  - 30-Jun-21 (Adjusted): 2,120,530,569
  - Increase/Decrease: 63,209,196
  - 30-Jun-21 (Restated): 2,183,739,765
  - 30-Jun-20: 3,390,602,048
  - 1-Jul-20 (Restated): 3,390,602,048

- **Investments**
  - 30-Jun-21 (Adjusted): 119,847,169,646
  - Increase/Decrease: (10,158,196,009)
  - 30-Jun-21 (Restated): 109,688,973,637
  - 30-Jun-20: 104,351,791,950
  - 1-Jul-20 (Restated): 104,388,900,965

- **Property, Plant and Equipment**
  - 30-Jun-21 (Adjusted): 514,707,671,843
  - Increase/Decrease: (2,522,970)
  - 30-Jun-21 (Restated): 514,705,148,873
  - 30-Jun-20: 511,450,951,324
  - 1-Jul-20 (Restated): 511,664,836,324

#### Liabilities
- **Payables**
  - 30-Jun-21 (Adjusted): 1,815,113,107
  - Increase/Decrease: 89,059,227
  - 30-Jun-21 (Restated): 1,904,172,334
  - 30-Jun-20: 1,583,357,706
  - 1-Jul-20 (Restated): 1,583,357,706

- **Deposits**
  - 30-Jun-21 (Adjusted): 8,253,619,644
  - Increase/Decrease: 171,322,241
  - 30-Jun-21 (Restated): 8,424,941,885
  - 30-Jun-20: 2,449,102,325
  - 1-Jul-20 (Restated): 2,449,102,325

- **Social Benefits Liabilities**
  - 30-Jun-21 (Adjusted): -
  - Increase/Decrease: 197,947,584
  - 30-Jun-21 (Restated): 197,947,584
  - 30-Jun-20: -
  - 1-Jul-20 (Restated): -

- **Financial Guarantee Liabilities**
  - 30-Jun-21 (Adjusted): 2,498,091,910
  - Increase/Decrease: 1,099,279
  - 30-Jun-21 (Restated): 2,499,191,189
  - 30-Jun-20: 1,903,777,323
  - 1-Jul-20 (Restated): 7,515,032

#### Net Assets/Equity

- **Consolidated Fund**
  - 30-Jun-21 (Adjusted): 73,952,913,187
  - Increase/Decrease: (7,895,775,597)
  - 30-Jun-21 (Restated): 66,057,137,590
  - 30-Jun-20: 49,161,736,901
  - 1-Jul-20 (Restated): 87,542,932

- **Accumulated Surplus**
  - 30-Jun-21 (Adjusted): 70,731,421,219
  - Increase/Decrease: (1,500,085,674)
  - 30-Jun-21 (Restated): 69,231,335,545
  - 30-Jun-20: 133,119,198,180
  - 1-Jul-20 (Restated): 145,393,112

- **Special Funds**
  - 30-Jun-21 (Adjusted): 36,498,200,102
  - Increase/Decrease: 28,271,380
  - 30-Jun-21 (Restated): 36,526,471,482
  - 30-Jun-20: 13,042,525,766
  - 1-Jul-20 (Restated): 10,542,939

---

**NOTES TO THE FINANCIAL STATEMENTS**
### 38. RECONCILIATION: BUDGETARY RESULT WITH DEFICIT

<table>
<thead>
<tr>
<th></th>
<th>Year Ended 30 June 2022</th>
<th>Year Ended 30 June 2021 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Budget Balance as presented in the Statement of Comparison of Budget Estimates and Actual Amounts (Statement AF)</strong></td>
<td>(29,041,985,835)</td>
<td>(30,419,771,571)</td>
</tr>
<tr>
<td>Prepayments</td>
<td>4,446,268</td>
<td>(792,633)</td>
</tr>
<tr>
<td>Accruals</td>
<td>430,345,786</td>
<td>(724,033,429)</td>
</tr>
<tr>
<td>Inventories</td>
<td>269,799,104</td>
<td>103,358,254</td>
</tr>
<tr>
<td>Depreciation and Amortisation</td>
<td>(4,971,693,391)</td>
<td>(4,871,367,494)</td>
</tr>
<tr>
<td>Net Movement in Investments</td>
<td>23,511,400,060</td>
<td>(28,014,389,695)</td>
</tr>
<tr>
<td>Loss on Foreign Exchange Transactions</td>
<td>4,004,640,489</td>
<td>(5,696,297,270)</td>
</tr>
<tr>
<td>Subscriptions to International Organisations</td>
<td>(90,502,902)</td>
<td>(369,592,232)</td>
</tr>
<tr>
<td>Capitalisation of Dividends</td>
<td>26,755,652</td>
<td>92,124,555</td>
</tr>
<tr>
<td>Net Movement in Loan to Statutory and Other Bodies</td>
<td>31,930,026</td>
<td>22,874,012</td>
</tr>
<tr>
<td>Net movement in Receivables</td>
<td>1,610,595,174</td>
<td>4,110,363,243</td>
</tr>
<tr>
<td>Government Debt Writen-Off</td>
<td>-</td>
<td>152,872,482</td>
</tr>
<tr>
<td>Net Movement in Non-Financial Assets</td>
<td>8,016,569,404</td>
<td>7,769,908,639</td>
</tr>
<tr>
<td>Carry-over of Capital Expenditure</td>
<td>(78,358,313)</td>
<td>140,893,595</td>
</tr>
<tr>
<td>Net Movement in Employee Benefits</td>
<td>(2,136,134,249)</td>
<td>(2,457,527,205)</td>
</tr>
<tr>
<td>Net Movement in Financial Guarantee Expenses</td>
<td>(270,986,517)</td>
<td>(494,630,861)</td>
</tr>
<tr>
<td>Interest and Other Adjustments in respect of Government Debt</td>
<td>(896,998,055)</td>
<td>2,459,525,700</td>
</tr>
</tbody>
</table>

**Surplus/(Deficit) as presented in the Statement of Financial Performance (Statements AA & AB)**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Surplus/(Deficit)</strong></td>
<td>419,822,701</td>
</tr>
<tr>
<td><strong>(Deficit)</strong></td>
<td>(58,196,481,910)</td>
</tr>
</tbody>
</table>
### 39. RECONCILIATION: DEFICIT WITH NET CASH FLOWS FROM OPERATING ACTIVITIES

#### Surplus/(Deficit) as presented in the Statement of Financial Performance (Statements AA & AB)

<table>
<thead>
<tr>
<th></th>
<th>Year Ended 30 June 2022</th>
<th>Year Ended 30 June 2021 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td></td>
<td>419,822,701</td>
<td>(58,196,481,910)</td>
</tr>
</tbody>
</table>

#### (a) (Gains)/Losses Adjustments

<table>
<thead>
<tr>
<th>(Gains)/Losses on Foreign Exchange Transactions</th>
<th>(4,004,640,489)</th>
<th>5,696,297,270</th>
</tr>
</thead>
</table>

#### (b) Non-Cash Adjustments

<table>
<thead>
<tr>
<th>Donations</th>
<th>(119,832,946)</th>
<th>(219,408,182)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Movement in Loan to Statutory and Other Bodies</td>
<td>(31,930,026)</td>
<td>(22,874,012)</td>
</tr>
<tr>
<td>Net Movement in Receivables</td>
<td>(1,610,595,174)</td>
<td>(4,110,363,243)</td>
</tr>
<tr>
<td>Capitalisation of Dividends</td>
<td>(26,755,652)</td>
<td>(92,124,555)</td>
</tr>
<tr>
<td>Government Debt Written-Off</td>
<td>-</td>
<td>(152,872,482)</td>
</tr>
<tr>
<td>Loans and Advances Written-Off</td>
<td>57,540</td>
<td>2,482,340,439</td>
</tr>
<tr>
<td>Net Movement in Investments</td>
<td>(23,511,400,060)</td>
<td>28,014,389,695</td>
</tr>
<tr>
<td>Direct Payment by Funding Agency</td>
<td>15,918,728</td>
<td>3,469,718</td>
</tr>
<tr>
<td>Interest Accrued</td>
<td>323,118,116</td>
<td>(246,950,338)</td>
</tr>
<tr>
<td>Depreciation and Amortisation</td>
<td>4,971,693,391</td>
<td>4,871,367,494</td>
</tr>
<tr>
<td>Net Movement on Non-Financial Assets</td>
<td>(59,119,597)</td>
<td>(335,112,768)</td>
</tr>
<tr>
<td>Net Movement in Employee Benefit Obligations</td>
<td>2,136,134,249</td>
<td>2,457,527,205</td>
</tr>
<tr>
<td>Interest and Other Adjustments in respect of Government Debt</td>
<td>896,998,055</td>
<td>(2,459,525,700)</td>
</tr>
<tr>
<td>Net movement in Financial Guarantee Expense</td>
<td>270,986,517</td>
<td>494,630,862</td>
</tr>
</tbody>
</table>

#### (c) Working Capital Movement

| (Decrease)/Increase in Deposits                | (3,676,814,189) | 5,804,517,319 |
| (Increase)/Decrease in Advances               | (1,027,177,758) | 244,737,810   |
| (Decrease)/Increase in Special Funds          | (1,752,928,510) | 23,445,131,397 |
| (Increase) /Decrease in Prepayments           | (4,446,268)     | 792,633       |
| (Decrease)/Increase in Payables               | (377,276,627)   | 549,060,670   |
| (Decrease)/Increase in Social Benefits Liabilities | (43,502,784) | 197,514,109   |
| (Increase) in Inventories                     | (269,799,104)   | (103,358,254) |

#### (d) Classification Adjustments

<table>
<thead>
<tr>
<th>Dividends</th>
<th>(9,070,474,192)</th>
<th>(1,103,000,333)</th>
</tr>
</thead>
</table>

#### Net Cash flows from Operating Activities

|                      | (36,551,964,079) | 7,219,704,844 |

---
40. **RECONCILIATION: BUDGETARY RESULT WITH NET CASH FLOW**

<table>
<thead>
<tr>
<th></th>
<th>Operating Activities</th>
<th>Investing Activities</th>
<th>Financing Activities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Budget Balance as presented in the Statement of Comparison of Budget Estimates and Actual Amounts (Statement AF)</strong></td>
<td>(21,015,255,195)</td>
<td>(8,026,730,639)</td>
<td>-</td>
<td>(29,041,985,835)</td>
</tr>
</tbody>
</table>

(a) **Basis Differences**

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs</th>
<th>Rs</th>
<th>Rs</th>
<th>Rs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carry-over of Capital Expenditure</td>
<td>(74,273,075)</td>
<td>(20,515,196)</td>
<td>-</td>
<td>(94,788,271)</td>
</tr>
<tr>
<td>Interest Accrued</td>
<td>317,565,202</td>
<td>-</td>
<td>-</td>
<td>317,565,202</td>
</tr>
<tr>
<td>Interest Capitalised</td>
<td>5,552,913</td>
<td>-</td>
<td>-</td>
<td>5,552,913</td>
</tr>
<tr>
<td>Advances (increase)/decrease</td>
<td>(347,120,218)</td>
<td>313,467,580</td>
<td>-</td>
<td>(33,652,638)</td>
</tr>
<tr>
<td>Deposits (decrease)</td>
<td>(3,676,814,189)</td>
<td>-</td>
<td>-</td>
<td>(3,676,814,189)</td>
</tr>
<tr>
<td>Payables increase</td>
<td>5,481,137</td>
<td>-</td>
<td>-</td>
<td>5,481,137</td>
</tr>
<tr>
<td>Investments and Other Securities (increase)</td>
<td>-</td>
<td>(12,927,261,621)</td>
<td>-</td>
<td>(12,927,261,621)</td>
</tr>
<tr>
<td>Proceeds from Sale of Investments</td>
<td>-</td>
<td>13,044,400,000</td>
<td>-</td>
<td>13,044,400,000</td>
</tr>
<tr>
<td>Loans to Statutory and Other Bodies (increase)</td>
<td>-</td>
<td>(458,822,778)</td>
<td>-</td>
<td>(458,822,778)</td>
</tr>
<tr>
<td>Net movement in Non-Financial Assets</td>
<td>(69,280,832)</td>
<td>69,280,832</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dividends</td>
<td>(9,070,474,192)</td>
<td>9,070,474,192</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Donations</td>
<td>(119,832,946)</td>
<td>-</td>
<td>-</td>
<td>(119,832,946)</td>
</tr>
<tr>
<td>Subscriptions to International Organisations</td>
<td>(90,502,902)</td>
<td>-</td>
<td>-</td>
<td>(90,502,902)</td>
</tr>
<tr>
<td>Borrowings increase</td>
<td>-</td>
<td>-</td>
<td>13,550,271,457</td>
<td>13,550,271,457</td>
</tr>
<tr>
<td>Direct Payment by Funding Agency</td>
<td>15,918,728</td>
<td>966,951,526</td>
<td>-</td>
<td>982,870,254</td>
</tr>
<tr>
<td>Non-Cash Adjustment relating to Investments</td>
<td>(680,000,000)</td>
<td>-</td>
<td>-</td>
<td>(680,000,000)</td>
</tr>
</tbody>
</table>

(b) **Entity Differences**

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs</th>
<th>Rs</th>
<th>Rs</th>
<th>Rs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Funds (net)</td>
<td>(1,752,928,510)</td>
<td>-</td>
<td>-</td>
<td>(1,752,928,510)</td>
</tr>
</tbody>
</table>

**Net Cash Flow as presented in the Statement of Cash Flow (Statement AD)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Cash Flow</td>
<td>(36,551,964,079)</td>
</tr>
<tr>
<td></td>
<td>2,031,243,896</td>
</tr>
<tr>
<td></td>
<td>13,550,271,457</td>
</tr>
<tr>
<td></td>
<td>(20,970,448,726)</td>
</tr>
</tbody>
</table>
### 41. FINANCIAL INSTRUMENTS

#### A. CATEGORIES OF FINANCIAL INSTRUMENTS

The table below shows the classification and measurements basis for the different categories of financial assets and their respective balances at 30 June 2022:

<table>
<thead>
<tr>
<th>Category</th>
<th>Cash and Cash Equivalents</th>
<th>Cost</th>
<th>Amortised Cost</th>
<th>Fair Value Through Surplus or Deficit</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs</td>
<td>Rs</td>
<td>Rs</td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>21,673,055,130</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>21,673,055,130</td>
</tr>
<tr>
<td>Receivables from Non-Exchange Transactions</td>
<td>-</td>
<td>18,319,361,816</td>
<td>-</td>
<td>-</td>
<td>18,319,361,816</td>
</tr>
<tr>
<td>Receivables from Exchange Transactions</td>
<td>-</td>
<td>2,568,314,589</td>
<td>-</td>
<td>-</td>
<td>2,568,314,589</td>
</tr>
<tr>
<td>Loans and Advances</td>
<td>-</td>
<td>14,363,007,695</td>
<td>-</td>
<td>-</td>
<td>14,363,007,695</td>
</tr>
<tr>
<td>Investments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity Investments</td>
<td>-</td>
<td>-</td>
<td>114,017,302,130</td>
<td>-</td>
<td>114,017,302,130</td>
</tr>
<tr>
<td>(Quoted Investments, Unquoted Investments, Equity Participation)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Redeemable Preference Shares</td>
<td>-</td>
<td>-</td>
<td>200,000,000</td>
<td>200,000,000</td>
<td></td>
</tr>
<tr>
<td>Other Investments</td>
<td>-</td>
<td>-</td>
<td>19,526,009,121</td>
<td>-</td>
<td>19,526,009,121</td>
</tr>
<tr>
<td>Other Financial Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IMF-SDR Allocations</td>
<td>-</td>
<td>12,509,787,642</td>
<td>-</td>
<td>-</td>
<td>12,509,787,642</td>
</tr>
<tr>
<td>IMF-Reserve Tranche Position</td>
<td>-</td>
<td>2,418,161,031</td>
<td>-</td>
<td>-</td>
<td>2,418,161,031</td>
</tr>
<tr>
<td>Total Financial Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>21,673,055,130</td>
<td>50,178,632,773</td>
<td>19,526,009,121</td>
<td>114,217,302,130</td>
<td>205,594,999,154</td>
</tr>
</tbody>
</table>

The table below shows the classification and measurements basis for the different categories of financial liabilities and their respective balances at 30 June 2022:

<table>
<thead>
<tr>
<th>Category</th>
<th>Cost</th>
<th>Amortised Cost</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs</td>
<td>Rs</td>
<td>Rs</td>
</tr>
<tr>
<td>Payables</td>
<td>1,175,713,837</td>
<td>-</td>
<td>1,175,713,837</td>
</tr>
<tr>
<td>Deposits</td>
<td>4,959,470,935</td>
<td>-</td>
<td>4,959,470,935</td>
</tr>
<tr>
<td>Government Debt</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic Debt and External Debt</td>
<td></td>
<td>392,647,328,874</td>
<td>392,647,328,874</td>
</tr>
<tr>
<td>IMF-SDR Allocations</td>
<td>14,073,119,767</td>
<td>-</td>
<td>14,073,119,767</td>
</tr>
<tr>
<td>Financial Guarantee Liabilities</td>
<td></td>
<td>2,905,829,220</td>
<td>2,905,829,220</td>
</tr>
<tr>
<td>Total Financial Liabilities</td>
<td>20,208,304,539</td>
<td>395,553,158,094</td>
<td>415,761,462,633</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL STATEMENTS

B. FINANCIAL RISK MANAGEMENT

Government activities are exposed to various risks comprising mainly interest rate risk, foreign exchange risk, liquidity risk and refinancing risk. Given that there is a trade-off between cost and risk, Government’s debt management strategy aims at minimising the cost of the debt portfolio within an acceptable level of risk. The main risks as well as the risk management policies are set out below:

(i) Interest Rate Risk

Government is exposed to interest rate risk as the rate of interest might increase resulting in additional costs. In relation to domestic debt, almost 97% of Government securities have been issued at a fixed rate of interest.

With regard to Government external debt, the share of variable interest rate loans represented 40.6% of the total external debt as at 30 June 2022 (2021: 33.8%). To mitigate this risk, the strategy in place is to have a nearly balanced mix of fixed and variable interest rate loans over the medium term. Accordingly, preference is being given to contract new loans at a fixed interest rate.

**Interest Rate Sensitivity Analysis**

Government is exposed to interest rate risk as interest rates in relation to inflation-indexed bonds (assuming changes in interest and inflation rate are correlated) and variable interest rate external debts may change. The table below details the sensitivity analysis to a 10 basis points increase and decrease in the interest rate:

<table>
<thead>
<tr>
<th></th>
<th>Year Ended 30 June 2022</th>
<th>Year Ended 30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs Million</td>
<td>Rs Million</td>
</tr>
<tr>
<td><strong>Government Debt:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inflation-Indexed Bonds:</td>
<td>+10 bp</td>
<td>-10 bp</td>
</tr>
<tr>
<td>Impact on Surplus or Deficit</td>
<td>+10</td>
<td>-10</td>
</tr>
<tr>
<td><strong>External Debts:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impact on Surplus or Deficit</td>
<td>+34</td>
<td>-34</td>
</tr>
</tbody>
</table>

Based on the above table, it can be noted that an increase/decrease of 10 basis points in interest rates would result in an increase/decrease in the interest payments by about Rs 44 million for the financial year 2021-2022 (2020/2021: Rs 39 million).

(ii) Foreign Exchange Risk

Exposure to exchange rate risks arise as transactions denominated in foreign currencies are undertaken by Government. The strategy has been to minimise exposures to exchange rate risks by having greater recourse to domestic financing and to align the currency composition of public sector external debt to that of export earnings of the country.
NOTES TO THE FINANCIAL STATEMENTS

Accordingly, the share of external debt in Government debt portfolio stood at 20.5% at 30 June 2022 (Based on nominal value) (2021: 21.7%). The currency composition of foreign debt has also been diversified. In addition, the foreign currency risk is mitigated by maintaining bank accounts denominated in foreign currencies.

*Foreign Currency Sensitivity Analysis*

The table below details the sensitivity analysis regarding the impact of a 5% increase or decrease (2021: 5% - restated) in exchange rates:

<table>
<thead>
<tr>
<th></th>
<th>Year ended 30 June 2022</th>
<th>Year ended 30 June 2021 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact on profit (Appreciation of MUR)</td>
<td>+5%</td>
<td>+3,640</td>
</tr>
<tr>
<td>Impact on loss (Depreciation of MUR)</td>
<td>-5%</td>
<td>-3,640</td>
</tr>
</tbody>
</table>

As per the above table, an appreciation/depreciation of MUR by 5% against all foreign currencies in which external debt has been contracted would increase/decrease profits by Rs 3,640 million for financial year 2021-2022 (2020-2021 (restated): Rs 3,579 million).

(iii) Liquidity Risk

Liquidity risk refers to the risk that Government will encounter difficulty in meeting its financial obligations when they fall due. The liquidity risk for Government is managed and mitigated by having an efficient and effective cash flow forecasting system that ensures adequacy of cash resources to meet all Government obligations as and when they fall due.

(iv) Refinancing Risk

Refinancing or rollover risk is the risk that redemptions of securities will be concentrated over the shorter term or in a particular year which might affect the refinancing ability of Government. To mitigate refinancing risk, actions have been taken to gradually move towards instruments with longer term.

The average time to maturity of domestic debt at 30 June 2022 has remained unchanged at 5 years compared to last year.

Concerning external debt, the majority of the loans are contracted with a term of 15 to 20 years and include a moratorium of 5 years on capital repayment. Compared to Government securities which are redeemable as a bullet payment on maturity date, external debts are repayable on a semi-annual or annual basis. Therefore, the refinancing risk for external debts is quite low.
42. OPERATING LEASE ARRANGEMENTS

Lease expense has been recognised in the Statement of Financial Performance under item rental expense (Refer to Note 32- Operating Expenses).

The outstanding commitments under non-cancellable operating leases, which fall due are as follows:

<table>
<thead>
<tr>
<th></th>
<th>30 June 2022</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within 1 year</td>
<td>1,559,555,949</td>
<td>527,765,055</td>
</tr>
<tr>
<td>Between 1 to 5 years</td>
<td>4,688,024,826</td>
<td>707,312,940</td>
</tr>
<tr>
<td>More than 5 years</td>
<td>11,985,483,225</td>
<td>122,399,401</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>18,233,064,000</strong></td>
<td><strong>1,357,477,396</strong></td>
</tr>
</tbody>
</table>

43. RELATED PARTY TRANSACTIONS

(i) Key Management Personnel

Related parties include key management personnel. The key management personnel are the Ministers who constitute the governing body of the Government of Mauritius. The key management personnel also include Accounting Officers and Senior Management (not below the grade of Permanent Secretary) who have the authority and responsibility for planning, directing and controlling the activities of the Government.

The aggregate remuneration paid to key management personnel includes Annual Allowance, Basic Salary, Salary Compensation, Extra Remuneration, Allowances, Extra Assistance, Cash in lieu of Leave, Facilities Allowance to Honourable Members, End-of-year Bonus, Travelling and Transport, Overtime, Passage benefits, Allowance in lieu of passages amongst others. These remunerations are as per the recommendation of the PRB Report 2021.

Key management personnel are also entitled to post-employment benefits and these are included in Employee Benefit Obligations.

(ii) Related Parties

All transactions between related parties are on normal terms and conditions. Accordingly, there is no separate related party transaction to be disclosed.

44. CONTINGENT ASSETS

Contingent Assets amounted to Rs 338 million as at 30 June 2022 with respect to claims by the Government from the insurance company related to the MV- Wakashio Disaster.

45. CONTINGENT LIABILITIES

As at 30 June 2022, there was no known contingent liability to be disclosed.
46. MATERIAL EVENTS AFTER REPORTING DATE

No events have occurred after the reporting date, which are of such importance that they would require adjustments to or disclosure in the financial statements.