

THE FISHERMEN WELFARE FUND

ANNUAL REPORT
FOR
THE YEAR ENDED
31ST DECEMBER 2013



The Fishermen Welfare Fund
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Date: 23rd June 2014

**The Honourable Louis Joseph VON-MALLY, GOSK
Minister of Fisheries,
4th Floor, LICI Building;
President John Kennedy Street,
Port Louis.**

Dear Sir,

Re: - Annual Report for the year ended 31st December 2013

I have the pleasure to present to you the Annual Report of the Fishermen Welfare Fund for the year ended 31st December 2013 as per paragraph 15(1) of the Fishermen Welfare Fund Act of 2000.

Yours faithfully,



.....
Jean Désiré Philippe ETIENNE (Mr.)
Chairman

CHAIRMAN AND MEMBERS OF THE BOARD**Chairman**

Mr. ETIENNE Jean Philippe Désiré

<u>Members</u>		<u>Representative of</u>
1	Mr. MEUNIER Jean Bernardin	Rodrigues Fishermen Association.
2	Mr. RAMSAMY Marie Joseph	Ministry of Fisheries.
3	Mr. ETOAR Daljeet	Prime Minister's Office (Rodrigues Division)
4	Mr. MASSE Louis Antonio	Organisations of Fishermen
5	Mr. EDOUARD Joseph Gerard	Bank Fishermen Community.
6	Mrs. RANMONDHUR-RUGGOO Khuroona	Prime Minister's Office
7(a)	Miss DOCILE Patricia Melanie Rebecca	Ministry of Finance and Economic Development (From August 2013)
7(b)	Miss. CODADEEN Najaah	Ministry of Finance and Economic Development (Up to July 2013)
8	Mr. GOPEE Indradeo	Organisations of Fishermen.
9	Mrs. GHOORBIN Sandhya	The Organisations of Operators from Fishing Industry.

BOARD AND COMMITTEE MEETINGS HELD.

Board	7
Scholarship & Staff Committees	2
Finance Committee	1

MEMBERS OF STAFF

Secretary and Officer in Charge	<ul style="list-style-type: none">• Mr. BOODIA Tedj Iswar <i>(ACIS, AIA, MIPA)</i>
Welfare Development Officers	<ul style="list-style-type: none">• Mr. POSOOA Viraj Ragoobeer <i>(BSc (Hons) Computing & Information System)</i>• Mr. KISSOONAH Sunil Dutt <i>(Ad. Diploma in Management, MBA (Partly Qualified))</i>
Clerk/Word Processing Operator	<ul style="list-style-type: none">• Mrs. PANCHOO Marie Michele
Driver	<ul style="list-style-type: none">• Mr. HOW NEE HEE HA FEE Vee Chuan
General Worker	<ul style="list-style-type: none">• Mr. LALJI Sharvind



THE FISHERMEN WELFARE FUND

History

The Fishermen Welfare Fund (FWF) is a Corporate Body under the aegis of the Ministry of Fisheries. It was created by the FWF Act No. 28 of 2000 and started activities in May 2001.

Vision

The Fund exists to promote the betterment of registered fishers and their families of both Mauritius and Rodrigues.

Mission

The Fund promotes a high quality and cost-effective service to the fisher's community.

Objectives

The objectives of the Fund as per paragraph 4 of the FWF Act are:-

- (a) To advance and promote the welfare of fishermen and their families.
- (b) To manage and optimise the financial and other resources of the Fund to further the social and economic welfare of fishermen.
- (c) To develop schemes and projects for the welfare of fishermen.
- (d) To set up schemes, including schemes in respect of loans or other financial assistance for the benefit of fishermen who should make contributions.
- (e) To do all such things as appear to be necessary and conducive to the welfare of fishermen in general.

Strategy

The Fund's strategy is to sensitise and assist registered fishers of both Mauritian and Rodrigues in empowering them for a better future.

Corporate Targets

Provide an opportunity for wealth creation and enhance the quality of life of fishers' community.

Events

The Fund organises two main events annually which are:-

- (a) Scholarship Award Ceremony.
- (b) International Day of Fishermen on 21st November every year at the public beach of le Morne Village which comprises an Inter-Religious prayer and a march by the National Coast Guard, followed by a Wreath Laying Ceremony in the memory of fishers lost at sea.

MAIN ACTIVITIES OF THE FISHERMEN WELFARE FUND

The Fund provides financial assistance to registered fishers under the following Schemes:-

(a) Sickness Allowance

Under this Scheme, a registered fisherman is eligible to a financial assistance of 14 days when he is hospitalised for 14 consecutive days or more. The daily allowance is at par to daily Bad Weather Allowance. During the financial year the rate is Rs. 249/= per day.

(b) Interim Assistance to Fisher's Family in Distress

This allowance is granted to the family of a registered fisher who has disappeared at sea during work. An amount of Rs. 2,500/= is given on an interval of 15 days to cater for the basic needs of the family. A maximum of Rs. 10,000/= is granted for the first two months of the absence of the fisher. The case is also referred to the Ministry of Social Security, National Solidarity and Senior Citizens Welfare & Reform Institution for social aid and to the Ministry of Women's Right, Child Development and Family Welfare for psychological support.

(c) Repairs of Accidentally Damaged Boat and Out Board Motors

This assistance is given to a registered fisher whereby his pirogue and outboard motor is damaged accidentally at sea during work. The assistance provided is limited to Rs. 5,000/=.

The aim of this assistance is to enable the fisher to re-start its activities.

(a) Contributory Scheme for Bank Fishermen.

The Scheme was introduced in financial year 2006/2007 for Bank fishermen.

A Bank fisherman who has a Continuous Record Book and has been on at least two fishing campaigns on the following banks:- " Nazareth", "Saya de Malha" and "Chagos Archipelagos", during the period of 1st September in a year to 31st May of the following year may participate in the scheme by making a contribution of Rs. 2,000/=.

The Fishermen Welfare Fund and fishing operators, each contribute Rs. 2,000/= per Bank fisherman who participate, in the scheme.

The contribution received are lumped and the Rs. 6,000/= is provided to the fisher in three instalments during the months of June, July and August as Winter Allowance.

(b) Award of Scholarship

The Scholarship Scheme was first introduced by Government in 1991. The aim behind this Scheme was to provide financial assistance to fisher's children with good academic aptitude to emerge.

The scheme has been a gateway to democratise access to higher education of fishers' children.

It was passed on to the Fund by Government upon its creation. The number of scholarships then was limited to 48 and was increased in 2003 to 75.

As from July 2005 the scholarship were increased to 107 which are as follows:-

Scholarship per category	Categories				Stipends		Duration
	<i>Mauritius</i>	<i>Bank</i>	<i>Rodrigues</i>	<i>Total</i>	<i>Per month</i>	<i>Per Year</i>	
Post-C.P.E (Form I to V)							5 years
	36	6	14	56	Rs 375	Rs 4,500	
Post-S.C (Lower & Upper Six)	15	4	6	25	Rs 750	Rs. 9,000	2 years
Post-H.S.C (Degree, Diploma, Professional Qualification)	7	2	5	14	Rs 1,500	Rs 18,000	Up to three Years
Vocational	4	2	6	12	Rs 375	Rs. 4,500	Duration of Course
Total	62	14	31	107			

BENEFICIARIES DATA

The number of running scholarships and new awards

	Mauritius	Bank	Rodrigues	Total
Post CPE	164	8	69	241
Post SC	28	2	13	43
Post HSC	25	-	13	38
Vocational	1	-	7	8
Total	218	10	102	330

Financial Assistance

S/No.	Schemes	No. of Beneficiaries
1	Sickness Allowance	2
2	Family in Distress	4
3	Damaged Boats & Out Board Motors	3
4	Winter Allowance	35
5	Special Assistance for Refund of Bait Licence	277

REPORT ON 3 YEARS STRATEGIC PLAN OF THE FISHERMEN WELFARE FUND

As per the Statutory Bodies (Accounts and Audit) Act, the Fishermen Welfare Fund is a listed body in Part II of the first schedule.

It is presenting a report on three years Strategic Plan with a view to attaining its objectives and appreciation of the state of its affairs. The Fund's activities are regrouped under only one programme.

Programme 1:- Welfare

Implementation of Government Policies for the Welfare of fishers' community of both Mauritius and Rodrigues.

This would be achieved by making arrangements:-

- To award scholarships of 4 different categories to children of registered fishers.
- To provide financial assistance to a registered artisanal fishers who are hospitalised for at least 14 consecutive days.
- To provide financial assistance to fishers' family who are in deep distress following the death or loss of fisher at sea during fishing activities.
- To provide financial assistance for the repairs of damaged boats and outboard motors.
- To provide financial assistance to Bank fishermen during the month of June, July and August.
- Facilitating and liaison role between the fisher's community and other institutions.
- Commemoration of International day of fishermen and organisation of scholarship award ceremonies.

Core Values

We practice and promote the following values:

- Efficiency and Effectiveness
- Quality
- Diligence and honesty at work
- Good Customer relations and
- Good Governance

Swot Analysis

It is important for us to know what we are good in and where we need to improve. This is necessary information for future planning and any plan should focus on the areas that need immediate improvement. In assessing our strong and weak points, we can also see potential threats that may become an obstacle for the implementation of the action plan. Only by recognising these factors can we make sure of the success of strategic Planning.

Strengths

- Existing operational structure since 2001.
- Sole welfare arm for the Parent Ministry.
- Established close network/contact with stakeholders over the island and Rodrigues.
- Board composition reflects competencies and experience from relevant bodies and facilitates decision making/ ensure good Governance.

Weaknesses

- Remoteness of operational Office.

Opportunities

- Fishery and seafood an emerging sector.
- Government is boosting the sector .
- Possess the competence and qualified personnel to undertake any new Scheme and challenges.

Threats

- Duplicity of most of the objectives of Fishermen Welfare Fund by Fishermen Investment Trust.

Our priority objective is to promote the betterment of registered fishermen community through the promotion of quality and cost effective services.

	<u>Programme Components</u>	<u>Priority Objectives</u>
Programme Welfare	Education for children of fishers.	<ul style="list-style-type: none"> • Ensure fishers' children get access to higher education in order to secure a better career.
	Financial Assistance for fishermen.	<ul style="list-style-type: none"> • For repairs of Accidentally Damaged Boats & Outboard Motors to resume work as quickly as possible. • Cater for hospitalisation of fishers. • Meet the basic needs of fisher's family when the latter is disappeared at sea.
	Management of Contributory Schemes.	<ul style="list-style-type: none"> • Ensure that Bank fishers are provided with winter allowance by which they can meet their basic family needs during the winter season and to promote a saving culture among bank fishers.
	Mentoring and sensitising	<ul style="list-style-type: none"> • Counsel fishers to adopt modern fishing technique and develop fishing as a business. • Inform fishers on the preservation of catch to enhance quality of fish. • Inform fishers about the facilities put on offer by the government.
	Organisation of events.	<ul style="list-style-type: none"> • To pay homage to fishers lost at sea. • To award Scholarships to selected children of fishers.

SERVICES TO BE PROVIDED (Outputs) AND PERFORMANCE INFORMATION (Outcomes / Delivery Units / Outputs / Performance Indicators and Targets)

PROGRAMME: - Welfare					
Outcomes					
Cater for the Welfare and promote the betterment of registered fishermen.					
DELIVERY UNITS	SERVICES TO BE PROVIDED	PERFORMANCE			
	(Outputs)	Indicators (Service Standards)	2014 Targets	2015 Targets	2016 Targets
Technical, Administration and Finance.	Education for children of fishers. (Scholarships)	No. of children getting access to education other than running scholars	105	105	105
	Financial Assistance for repairs of damaged boats & out board motors.	Resumption of Fishing activities.	60	60	60
	Financial Assistance for hospitalisation of fishers.	Meet the basic family needs in absence of income from fishing during illness.	10	10	10
	Financial Assistance for Disappearance of fishers at sea.	No. of families assisted.	5	5	5
	Management of Contributory Schemes for Winter Allowance.	Saving culture. P1: Meet the basic needs during winter period.	120	120	120
	Mentoring & Sensitisation	No. of fishers to be counselled.	350	400	400
	Commemoration of the International day of fishermen and scholarship Award ceremony	No. of expected invitees.	500	500	600

Estimates for Income and Expenditure

Details	Rs 2013 Estimates
Financial Resources - Government Grant	5,767,942
Compensation of Employees (Emoluments of employees, travelling, bonus, Pension contributions, Refund of Sick Leaves, Passage Benefits)	2,458,382
Goods and Services (Cost of Utility, MVRE, Maintenance costs, Bank Charges, Stationery, Publications, Board and committee fees, Chairman fees and allowances)	858,180
Acquisition of Non Financial Assets (Acquisition of IT hardware and software)	-
Financial Scheme (Scholarship, Damaged boat, Family in distress, Sickness allowance)	2,451,380
	5,767,942

**CORPORATE GOVERNANCE REPORT- PERIOD ENDED
31 DECEMBER 2013**

(a) Compliance Statement

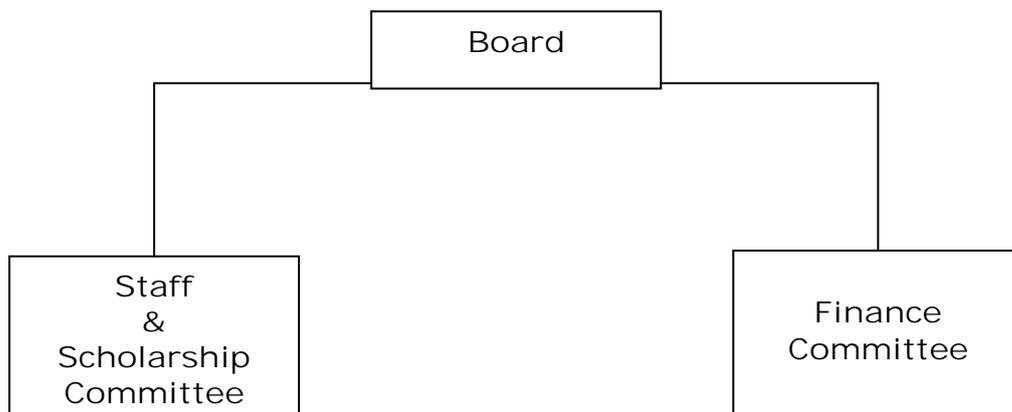
The Fishermen Welfare Fund is committed to the highest standard of business integrity, transparency and professionalism in all its activities in order to ensure that the activities of the Fund are managed ethically and responsibly to enhance best value for all stakeholders.

The Board members continuously consider the implication of best practice Corporate Governance and are of opinion that the Fishermen Welfare Fund complies with the requirements of the code of Corporate Governance in all material respects.

(b) Common Membership

(a) Structure

The structure of Fishermen Welfare Fund Board and Sub-Committees as at 31 December 2013 as illustrated below.



(b) The names of Common Current Members at each level at present are: -

Name of Members	Representative of	Scholarship & Staff Committee	Finance Committee	Board
Mr. ETIENNE Jean Philippe Désiré	Chairperson			Chairperson
Mr. RAMSAMY Marie Joseph	Ministry of Fisheries	Chairperson		
Mr. GOPEE Indradeo	Most representative organisation of fishermen			
Mrs. GHOORBIN Sandhya	Operators from fishing industry			
Mr. EDOUARD Joseph Gerard	Bank Fishermen Community			
Mr. MEUNIER Jean Bernardin	Fishermen's Association from Rodrigues			
Miss. DOCILE Patricia Rebecca	Ministry of Finance and Economic Development		Chairperson	
Mrs. ETOAR Daljeet	Ministry of Rodrigues			
Mr. MASSE Louis Antonio	Most representative organisation of fishermen			
RANMANDHUR- RUGGOO Khuroona	Prime Minister's Office			

(a) Members' agreement affecting the Governance of the Fishermen Welfare Fund by the Board.

There was no such agreement during the year under review.

(b) Third party Management Agreement.

There was no agreement between third parties and the Fund.

(c) Remuneration Philosophy.

The remuneration of members of staff and fees of members are as determined by the recommendation of Pay Research Bureau Report 2013.

(d) Time table – Important Events.

- Post CPE and Post SC Scholarship Award Ceremony – July/August every year.
- Post HSC and Vocational Scholarship Award Ceremony – around October every year.
- Celebration of International Day of Fishermen – the 21st of November every year.

(e) Contribution/Donation

The Fund has contributed a sum of Rs. 15,000/= during the year under review to erect a monument at Mahebourg Social Welfare Centre in the memory of fishers lost at sea during work.

(a) Code of Ethics

The Fund is committed to the highest Standards of integrity and ethical conduct in dealing with all its Stakeholders. Staffs at all levels adhere to the Fund's code of ethics, which reflects the Fund's diversity and unique culture. Adequate grievances and disciplinary procedures are in place to enable enforcement of the code of Ethics.

(b) Sustainability Reporting

The Fund has developed and implemented social, safety, health and environmental policies and practices that in all material respects comply with existing legislative and regulatory frameworks.

(c) Statement of Responsibilities

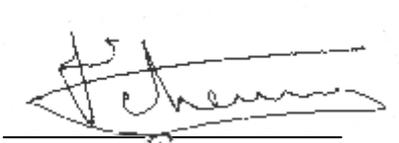
The Secretary acknowledges his responsibilities for:-

- i. Adequate accounting records and maintenance of effective internal control system.
- ii. The preparation of financial statements which fairly present the state of affairs of the Fishermen Welfare Fund as at the end of the financial year and the results of its operations and Cash Flows for the period and which comply with Financial Reporting and Accounting Standards issued under Section 72 of the Financial Reporting Act.
- iii. The selection of appropriate accounting policies supported by reasonable and prudent judgements.

The Secretary reports that:-

- i. Adequate accounting records and an effective system of internal controls and risk management have been maintained.
- ii. Appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently.
- iii. Applicable accounting standards have been adhered to, any departure in the interest in fair presentations has been disclosed, explained and quantified.
- iv. The Code of Corporate Governance has been adhered to.
- v. The Financial Reporting Framework and Standards issued by the Financial Reporting Council for Statutory Bodies has been complied.

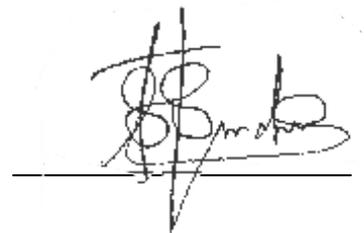
Signed on behalf of Fishermen Welfare Fund.



Chairman

Mr. ETIENNE Jean Desire Philippe

Date: 23rd June 2014



Secretary

Mr. BOODIA Tedj Iswar

Date: 23rd June 2014



NATIONAL AUDIT OFFICE

REPORT OF THE DIRECTOR OF AUDIT

TO THE BOARD OF THE

FISHERMEN WELFARE FUND

Report on the Financial Statements

I have audited the accompanying financial statements of the Fishermen Welfare Fund, which comprise the statement of financial position as at 31 December 2013, the statement of financial performance, the statement of changes in General Fund and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Financial Reporting and Accounting Standards issued under Section 72 of the Financial Reporting Act and in compliance with the Statutory Bodies (Accounts and Audit) Act. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Fishermen Welfare Fund as at 31 December 2013, and of its financial performance and its cash flows for the year then ended in accordance with the Financial Reporting and Accounting Standards issued under section 72 of the Financial Reporting Act.

Report on Other Legal and Regulatory Requirements

Management Responsibility

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

Auditor's Responsibility

In addition to the responsibility to express an opinion on the financial statements described above, my responsibility includes expressing an opinion on whether the activities, financial transactions and information reflected in the financial statements are, in all material respects, in compliance with the laws and authorities which govern them.

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

Opinion on Compliance

Statutory Bodies (Accounts and Audit) Act

I have obtained all information and explanations I have required for the purpose of my audit.

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

Public Procurement Act

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

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

Financial Reporting Act

The Directors are responsible for preparing the Corporate Governance Report and making the disclosures required by Section 8.4 of the Code of Corporate Governance of Mauritius ("Code"). My responsibility is to report on these disclosures.

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



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

National Audit Office
Level 14, Air Mauritius Centre
President John Kennedy Street
Port Louis

3 July 2014

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2013

	Notes	2013 Rs.	2012 Rs.
ASSETS			
Non-Current Assets			
Property, Plant and Equipment (P.P.E)	1	82,494	78,100
Car Loan Receivable	2	39,941	83,513
		<u>122,435</u>	<u>161,613</u>
Current Assets			
Car Loan Receivable	2	43,571	43,571
Cash and Cash Equivalent	3	822,069	828,643
		<u>865,640</u>	<u>872,214</u>
TOTAL ASSETS		<u>988,075</u>	<u>1,033,827</u>
FINANCED BY			
General Fund			
		<u>(1,723,376)</u>	<u>(679,335)</u>
Non-Current Liabilities (>1 year)			
Retirement Benefit Obligations	14	1,737,637	920,884
Provision for sick leave	4	609,329	468,028
Car loan payable	5	39,941	83,513
		<u>2,386,907</u>	<u>1,472,425</u>
Current Liabilities (<1 year)			
Provision for staff passage benefits	6	96,458	108,637
Provision for sick leave	4	45,637	34,940
Car loan payable	5	43,571	43,571
Trade and Other Payables	7	138,878	53,589
		<u>324,544</u>	<u>240,737</u>
TOTAL EQUITY AND LIABILITIES		<u>988,075</u>	<u>1,033,827</u>



Chairman
Mr. ETIENNE Jean Désiré Philippe
Date: 23rd June 2014



Member
Mr. RAMSAMY Marie Joseph
Date: 23rd June 2014

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR
ENDED 31ST DECEMBER 2013**

		2013	2012
	Notes	Rs.	Rs.
Revenue			
Government Grant		5,500,000	4,721,371
Other Revenue	8	149,300	311,185
		<u>5,649,300</u>	<u>5,032,556</u>
Expenses			
Operating Costs	9	559,376	469,784
Administrative Cost	10	3,692,487	2,293,376
Events Costs	11	126,302	88,988
Financial Schemes	12	2,293,108	2,120,672
Loss on write off of Property, Plant & Equipment		6,923	-
		<u>6,678,196</u>	<u>4,972,820</u>
Surplus/Deficit for the year		<u>(1,028,896)</u>	<u>59,736</u>

STATEMENT OF CASH FLOWS FOR THE YEAR
ENDED 31ST DECEMBER 2013

	2013	2012
	Rs.	Rs.
OPERATING ACTIVITIES		
<i>Surplus/Deficit for the year</i>	(1,028,896)	59,736
<i>Adjustment for items not involving cash</i>		
Provision for Employees Benefits	139,819	(49,847)
Depreciation on P. P. E	27,003	22,973
Write offs - Equipment	6,923	-
Increase in Retirement Benefit Obligations	801,608	19,586
NET CASH GENERATED FROM OPERATING ACTIVITIES	<u>(53,543)</u>	52,448
WORKING CAPITAL CHANGES		
Decrease in Trade and other Receivables	43,572	42,572
Decrease in Trade and other Payables	41,717	(49,938)
NET MOVEMENT IN WORKING CAPITAL	<u>31,746</u>	45,082
INVESTING ACTIVITIES		
Purchase of Furniture	(10,350)	-
Purchase of Computer & Printer	(27,970)	(68,330)
NET CASH IN INVESTING ACTIVITIES	<u>(38,320)</u>	(68,330)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(6,574)	(23,248)
CASH AND CASH EQUIVALENTS AT PREVIOUS YEAR	<u>828,643</u>	851,891
CASH AND CASH EQUIVALENTS FOR THE YEAR ENDED	<u><u>822,069</u></u>	<u><u>828,643</u></u>

**STATEMENT OF CHANGES IN GENERAL FUND FOR THE YEAR
ENDED 31ST DECEMBER 2013**

	2013	2012
	Rs.	Rs.
Opening Balance	(679,335)	(739,083)
Re-Instatement of Asset Value transferred from Parent Ministry	-	12
Adjustment - Pension Obligation	(15,145)	-
Surplus/Loss for the year	<u>(1,028,896)</u>	<u>59,736</u>
Closing Balance	<u><u>(1,723,376)</u></u>	<u><u>(679,335)</u></u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31ST DECEMBER 2013

General Information

The Fishermen Welfare Fund, as per its Act No. 28 of 2000, is a Corporate Body under the aegis of the Ministry of Fisheries. It is engaged in managing social schemes set up by the Government for the welfare of the registered fisher's community of both Mauritius and Rodrigues. It is a non-profit making organisation.

a) Accounting Policies

The Financial Statements of the Fund comply with the Fishermen Welfare Fund Act No.28 of 2000 and have been prepared in compliance with the Financial Reporting and Accounting Standards issued under section 72 of the Financial Reporting Act.

The going concern basis has been adopted.

b) Revenue Recognition

Recurrent Government grants are recognised on a cash basis as income is matched against the recurrent expenses of the entity.

Interest and other income are recognised on an accrual basis.

c) Expenditure

Expenditure is recognised on accrual basis.

a) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost or valuation, net of accumulated depreciation.

Depreciation is the systematic allocation of funds representing the use of an asset over its useful life.

Depreciation is provided on the straight line basis so as to write off the depreciation value of the assets over their expected useful economic lives.

The annual rates of depreciation used for the purpose are as follows:-

❖ Equipment	❖	20%
❖ Furniture and Fixtures	❖	10%
❖ Computer and Software	❖	20%

A full year depreciation was charged in the year of purchase.

b) Cash and Cash Equivalent

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

c) Provisions

A provision is recognised when there is a present obligation as a result of past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

d) Comparative figures

Figures of last year 2012 conform to be current year's presentations other than Retirement Benefit Obligation, which has been re-stated following immediate recognition of all Actuarial gains and losses in the financial year in which they occur.

e) Retirement Benefit Obligation

Provisions for Retirement Benefits for the entity are made in accordance with the Statutory Bodies Pensions Act 1978 as amended.

The Pension Plan is managed by a third party SICOM Ltd.

The cost of providing the benefit is determined in accordance with the Actuarial Valuation undertaken annually.

f) Currency and Rounding off of figures. Benefit Obligation

The figures in the Financial Statements are in Mauritian Rupees and have been rounded off to the nearest rupee.

1. Property, Plant and Equipment (P.P.E)

All fixed assets are stated at historical cost less depreciation. Historical cost includes expenditures that are directly attributable to acquisition of the items.

	Equipment	Furniture and Fittings	Computer and Software	Total
Cost	Rs.	Rs.	Rs.	Rs.
At 1 st January 2013	139,404	80,782	193,611	413,797
Additions during the year	-	10,350	27,970	38,320
Disposal	-	(5,800)	(9,545)	(15,345)
At 31 December 2013	139,404	85,332	212,036	436,772
Depreciation				
At 1 st January 2013	131,866	67,746	136,085	335,697
Disposal	-	(1,740)	(6,682)	(8,422)
Charge for the year	2,965	3,743	20,295	27,003
At 31 December 2013	134,831	69,749	149,698	354,278
Net Book Value 31 December 2013	4,573	15,583	62,338	82,494
Net Book Value 31 December 2012	7,538	13,036	57,526	78,100

2. Car Loan Receivable

	Year ended 31 December 2013	Year ended 31 December 2012
	Rs	Rs
Non-Current Asset	39,941	83,513
Current Asset	43,571	43,571
Total	83,512	127,084

3. Cash and Cash Equivalent

	Year ended 31 December 2013	Year ended 31 December 2012
	Rs	Rs
Petty Cash	1,000	1,000
Bank Balance	821,069	827,643
	<u>822,069</u>	<u>828,643</u>

4. Provision for Sick Leave

	Year ended 31 Dec 2013	Year ended 31 Dec 2012
	Rs.	Rs.
Balance at Start	502,968	443,901
Provision for the year	193,408	89,957
Amount paid during the year	(41,410)	(30,890)
Balance at end	<u>654,966</u>	<u>502,968</u>
Current Liabilities	45,637	34,940
Non Current Liabilities	609,329	468,028
	<u>654,966</u>	<u>502,968</u>

5. Car Loan Payable

	Year ended 31 December 2013	Year ended 31 December 2012
	Rs.	Rs.
Non-Current Liabilities	39,941	83,513
Current Liabilities	43,571	43,571
Balance owing at end	<u>83,512</u>	<u>127,084</u>

6. Provision for Staff Passage Benefits

	Year ended 31 December 2013	Year ended 31 December 2012
	Rs.	Rs.
Balance at Start	108,637	218,551
Amount Disbursed	(60,000)	(150,000)
Provision for the year	47,821	40,086
Balance at end	<u>96,458</u>	<u>108,637</u>

7. Trade & other Payables

	Year ended 31 December 2013	Year ended 31 December 2012
	Rs.	Rs.
<u>Operating Costs</u>		
Utility Charges	1,435	1,138
Professional Fees	40,600	40,000
Board and Committee fees and allowances	5,515	-
Chairman Fee and Allowance	3,555	-
<u>Administrative Costs</u>		
Staff Costs	8,661	-
Motor Vehicle Running Expenses	2,681	-
Owing to Secretary for Refund Car Loan	4,595	-
Stationery & Office Requisites	33,350	-
<u>Financial Schemes</u>		
Operator Contribution of Winter Allowance Refundable	1,000	-
Scholarship	6,750	-
Sickness Allowance	3,486	-
<u>Stale Cheques</u>	27,250	12,451
	<u>138,878</u>	<u>53,589</u>

8. Other Revenue

	Year ended 31 December 2013	Year ended 31 December 2012
	Rs.	Rs.
Contribution from Bank Operators	52,000	29,000
Contribution from Parent Ministry for payment of Winter Allowance	52,000	29,000
Interest on Bank Account	17,583	22,405
Donation Received	-	200,000
Refund of Injury Leave from SICOM	3,692	-
Interest Received on Car Loan	11,574	11,574
Refund Telephone	-	925
Stale cheques re-banked	12,451	18,281
	149,300	311,185

9. Operating Cost

	Year ended 31 December 2013	Year ended 31 December 2012
	Rs.	Rs.
Board & Committee Fees and Other Allowances	113,097	88,608
Chairman's Fee & Allowances	270,800	236,318
Utility Charges	52,410	27,239
Miscellaneous Expenses	43,466	14,646
Depreciation	27,003	22,973
Professional Fees	52,600	80,000
	559,376	469,784

10. Administrative Cost

	Year ended 31 December 2013	Year ended 31 December 2012
	Rs.	Rs.
Staff Costs	2,282,668	2,022,686
Pension Contribution	162,936	-
Motor Vehicle Running Expenses	26,189	26,427
Printing, Publicity & Press Advertisements	62,962	38,066
Stationery & Office Requisites	103,321	64,580
Provision for Sick Leave	193,408	89,957
Provision for Staff Passage Benefit	47,821	40,086
Interest paid on Car Loan	11,574	11,574
Provision for total OCI recognised in Pension Fund	801,608	-
	3,692,487	2,293,376

1. Event Cost

Event Costs relate to expenses incurred in organising the following events:

- ✕ International Day of Fishermen.
- ✕ Scholarship Award Ceremonies

Breakdown of event expenses is as follows:-

	Year ended 31 December 2013	Year ended 31 December 2012
	Rs.	Rs.
a) Catering & refreshment	51,000	42,673
b) Rental of tent, chairs & tables	34,270	32,430
c) Rental of Public Addressing System	-	500
d) Rental of Auditorium	5,700	4,550
e) Flowers & wreaths	6,250	4,300
f) Fees paid to priests	3,600	3,000
g) Transport	7,300	-
h) Electricity	-	900
i) Overtime & Allowance	1,422	635
l) Contribution for construction of monument - Mahebourg	15,000	-
j) Petty Cash	1,760	-
	126,302	88,988

12. ***Financial Schemes***

Breakdown of funds disbursed under Financial Schemes is as follows:-

	Year ended 31 December 2013	Year ended 31 December 2012
	Rs.	Rs.
a) Scholarship & stipends	2,070,750	1,995,250
b) Winter allowance paid to bank fishermen	104,000	54,000
c) Financial Assistance for Damaged Boats & Outboard Motors	15,000	40,000
d) Interim Financial Assistance to the fishermen's Families in Distress	37,500	15,000
e) Sickness allowance paid to fishers	10,458	16,422
f) Refund of Bait Gear Licence	55,400	-
	2,293,108	2,120,672

1. Employees

The Fund has six employees employed on substantive basis. The grades are as follows-

<u>Grades</u>	No in Grade
(a) Secretary	one
(b) Welfare Development Officer	two
(c) Clerk Word Processing Operator	one
(d) Driver	one
(e) General Worker	one

14. *Retirement Benefit Obligation*

In conformity with the provisions of the IAS 19 – Employee Benefits, the Fund has included its retirement benefit obligations in the financial statements. The pension scheme of the Fund is a defined benefit plan, and the assets of the funded plan are held independently and administered by SICOM Ltd.

FIGURES FOR IAS 19 ADOPTION FOR:
Fishermen Welfare Fund
For Year ending 31 December 2013

	Year ended 31 December 2013	Year ended 31 December 2012
Note	Rs.	Rs.
<i>Amounts recognised in balance sheet at end of year:</i>		
Defined benefit obligation	3,872,384	2,633,575
Fair value of plan assets	(2,134,747)	(1,691,806)
Liability recognised in balance sheet at end of year	1,737,637	941,769
<i>Amounts recognised in income statement:</i>		
Service cost:		
Current service cost	189,070	133,720
Past service cost	0	0
(Employee contributions)	(96,386)	(73,688)
Fund Expenses	5,301	4,053
Net Interest expense/(income)	64,951	84,454
P&L Charge	162,936	148,539
<i>Remeasurement</i>		
Liability (gain)/loss	839,053	(37,535)
Assets (gain)/loss	(37,445)	25,938
Total Other Comprehensive Income (OCI) recognised	801,608	(11,597)
Total	964,544	136,942
Movements in liability recognised in balance sheet:		
At start of year	941,769	933,780
Amount recognised in P&L	162,936	148,539
(Contributions paid by employer)	(168,676)	(128,953)
Amount recognised in OCI	801,608	(11,597)
At end of year	1,737,637	941,769
	(a)	
<i>Actual return on plan assets:</i>	183,180	122,108

Note (a) : The comparative figure for the movement in liability recognised in Balance Sheet for the end of the Year 31 December 2012 has been restated.



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	Year ended 31 December 2013	Year ended 31 December 2012
	Rs.	Rs.
Reconciliation of present value of defined benefit obligation		
Present Value of obligation at start of period	2,633,575	2,324,998
Current service cost	189,070	133,720
Interest cost	210,686	232,500
(Benefit paid)	-	(20,108)
Liability (gain)/loss	839,053	(37,535)
Present value of obligation at end of period	<u>3,872,384</u>	<u>2,633,575</u>
Reconciliation of fair value of plan assets		
Fair value of plan assets at start of period	1,691,806	1,391,218
Expected return on plan assets	145,735	148,046
Employer contributions	168,676	128,953
Employee contributions	96,386	73,688
(Benefit paid + other outgoings)	(5,301)	(24,161)
Asset gain/(loss)	37,445	(25,938)
Fair value of plan assets at end of period	<u>2,134,747</u>	<u>1,691,806</u>
Distribution of plan assets at end of period		
<i>Percentage of assets at the end of year</i>	2013	2012
Government securities and cash	59.1%	58.8%
Loans	4.9%	6.6%
Local equities	21.9%	21.0%
Overseas bonds and equities	13.4%	12.8%
Property	0.7%	0.8%
Total	<u>100%</u>	<u>100%</u>
Additional disclosure on assets issued or used by the reporting entity		
<i>Percentage of assets at the end of year</i>	2013	2012
	%	%
Assets held in the entity's own financial instruments	0	0
property occupied by the entity	0	0
Other assets by the entity	0	0
Components of the amount recognised in OCI		
Year	2013	2012
Currency	Rs	Rs
Asset experience gain/(loss) during the period	37,445	(25,938)
Liability experience gain/(loss) during the period	(839,053)	37,535
	<u>(801,608)</u>	<u>11,597</u>
Year	2014	
Expected employer contributions	180,639	

Weighted average duration of the defined benefit obligation 21 Years
 (Calculated as a % change in Present Value of liabilities for a 1% change in discount rate)



**FIGURES FOR IAS 19 ADOPTION FOR:
Fishermen Welfare Fund
For Year ending 31 December 2013**

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

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

	Year ending 31December 2013	Year ending 31December 2012
Discount rate	8.00%	10.00%
Expected rate of return on plan assets	8.00%	10.00%
Future salary increases	5.50%	7.00%
Future pension increases	3.00%	5.00%
Mortality before retirement	A 6770 Ultimate Tables	
Mortality in retirement	PA (90) Tables	
Retirement age	As per Schedule II in the Statutory Bodies Pension Fund Act	

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

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

- If the discount rate would be 100 basis points (one percent) higher (lower), the defined benefit obligation would decrease by Rs 0.64M (increase by Rs 0.81M) if all other assumptions were held unchanged.

- If the expected salary growth would increase (decrease) by 1%, the defined benefit obligation would increase by Rs 0.56M (decrease by Rs 0.49M) if all assumptions were held unchanged.

- If life expectancy would increase (decrease) by one year, the defined benefit obligation would increase by Rs 0.09M (decrease by Rs 0.09M) if all assumptions were held unchanged.

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

15. Pending Litigation

There was no litigation pending.