

# Road Development Authority



## ANNUAL REPORT

### *FINANCIAL YEAR 2023-2024*

**Strategic Approaches to Road Construction: Enhancing Efficiency, Safety, and Connectivity**

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## MESSAGE FROM THE HONOURABLE MINISTER OF NATIONAL INFRASTRUCTURE & COMMUNITY DEVELOPMENT



Being associated with the Annual Report of the Road Development Authority (RDA) for a fifth consecutive year is indeed a privilege for me, as Minister of National Infrastructure and Community Development. My message for this 2023-2024 Annual Report is summed up as follows:

“What we have accomplished during this mandate will go down in the history books as an unprecedented transformation of our road network. *Bravo a la RDA*”.

The Road Development Authority has been constantly in the limelight and deservedly so. Together, we have delivered 40 major road projects in record time, and all this while maintaining

and upgrading existing road infrastructures. For this year only, we have witnessed the implementation of an unprecedented number of road projects designed to further improve our road network and reduce traffic congestion. Some of these key projects are the Verdun Bypass, La Vigie - La Brasserie Link Road, Holyrood Bridge, Pont Bruniquel Bridge and the unique state-of-the-art SAJ Bridge. The SAJ bridge, on its own, represents the fighting spirit and the dedication of the RDA’s personnel and what us, Mauritians can achieve, if we set our mind to a goal and work together, hand in hand, under the right leadership to achieve greatness.

Today, this unique infrastructure in this part of the world has brought considerable relief to traffic, particularly to access the Upper Plaine Wilhems and the western region. We have gone further to implementing a long-term solution to traffic issues in Ebène, and flyovers at Terre Rouge and Wooton will be a game changer in traffic in the north and the centre. Soon again, the La Vigie flyover and the link road to Pierrefonds and Flic - en - Flac will be fully operational and add another 21 kilometers to our existing road network.

Coming up thereafter, the M4 will connect the north to the south via the east, and the M5 will connect the whole south region to the M1, and thus provide a comprehensive national road network that will support our existing roads.

Our vision and that of our Prime Minister is to reduce traffic and improve connectivity throughout the country for a safer driving experience. No doubt, the RDA has set the bar quite high in a single mandate and I firmly believe that the Authority possesses the right people with the appropriate skills to see through our common goal.

I am confident the future is bright and safe in RDA’s hands.

**Hon. Mahendranuth Sharma HURREERAM**

**Minister of National Infrastructure and Community Development**

## STATEMENT OF THE CHAIRMAN



It is with immense pleasure that I present the Annual Report for the financial period 2023-24 which details the financial, operational, and business performance of the Road Development Authority. Being the Chairman of the RDA over the past years, I have witnessed the efforts put by every staff in achieving the RDA business goals in line with the mission of the RDA while upholding the objectives of Government, the past financial period has witnessed by the completion of a number of road projects, needless to say the continued rehabilitation and upgrading of a number of roads within its existing road network.

The completion and putting into use of the iconic SAJ bridge is a landmark in the history of Mauritius in line with the strategy of the RDA for road construction. Such an unprecedented type of bridge in the region of the Indian Ocean has massively contributed towards decongestion while enabling easy traffic from the western part of the Island to the capital city of Mauritius. The Authority also been able to achieve its key performance indicators, set up at the beginning of the financial period under review.

As usual in its approach for compliance with statutory matters, the Authority has adhered to the National Code of Corporate Governance for Mauritius (2016) and has ensured that it complies with the highest standards of governance. Additionally, it has an effective system of control in place so that risks can be properly assessed and managed.

Together with the Honourable Minister, the parent Ministry, the Board and Management, we look forward working together with the RDA staff to further achieving our corporate goals which aim at improving road connectivity, reducing congestion for the safety and comfort of our customers which is the public at large.

A handwritten signature in black ink, appearing to be 'L. J. Y. J Patron', written over a faint, stylized graphic element.

**L. J. Y. J Patron**  
**Chairman**

## STATEMENT OF COMPLIANCE

The Directors of the Board are conscious of their obligations and requirements and confirm that the Road Development Authority has complied with the Code of Corporate Governance to the best of its knowledge.

A handwritten signature in black ink, appearing to be 'L. J. Y. J Patron', written over a faint horizontal line.

**L. J. Y. J Patron**  
**Chairman**

A handwritten signature in blue ink, appearing to be 'Samdhany', written over a faint horizontal line.

**Board Member**

## REPORT FROM THE GENERAL MANAGER

### 1.0 Organisational and Financial Performance with Respect to Budgetary Provision



As the General Manager, I am pleased to highlight the achievements of the Road Development Authority for the financial year 2023-2024. The Authority has not only been intensely engaged in the future expansion of its road network but has pursued with the maintenance of its existing roads with the view to ensuring the safety and mobility in comfort in line with its mission, vision, and objectives. With increased road quality and connectivity, there is no doubt that the contribution towards economic growth and development while bringing along social benefits to the population are enhanced.

The strategic approaches to road construction flows from the National Strategic Road Network which is a Road Master Plan for Mauritius developed by the RDA. The prime objective of this Master Plan aims at optimising the use of existing road assets as well as planning for new road construction on a long-term basis with a view to cater for traffic growth and provide safe and fast connectivity throughout the island. The implementation of a number of roads over the past years, namely the A1-A3 Road, the A1- M1 bridge, the La Vigie- La Brasserie Road project and some other ongoing project such as the Beau Songes- Flic-en-Flac road, among others, are inclusive of this strategy. This National Strategic Road Network also paves the way for future infrastructural development with decentralisation and benefits in terms of return on investment.

With regards to its budgetary performance during the period under review, a total sum of Rs 4,100.5 M was spent in the realisation of the different projects (including Road Decongestion Programme, Covid-19 Project Development, NECCF Projects, PDF and Maintenance & Rehabilitation of existing roads) as compared to the budgetary provision made at an amount of Rs 3,511.23M. This represented an unprecedented capacity achievement of 116% when compared to the initial amount budgeted. The achievements of the RDA would not have been possible without the endless support of the Board, the Management Team and surely without the employees of the Authority.

**N. Mowlabaccus**  
**General Manager**

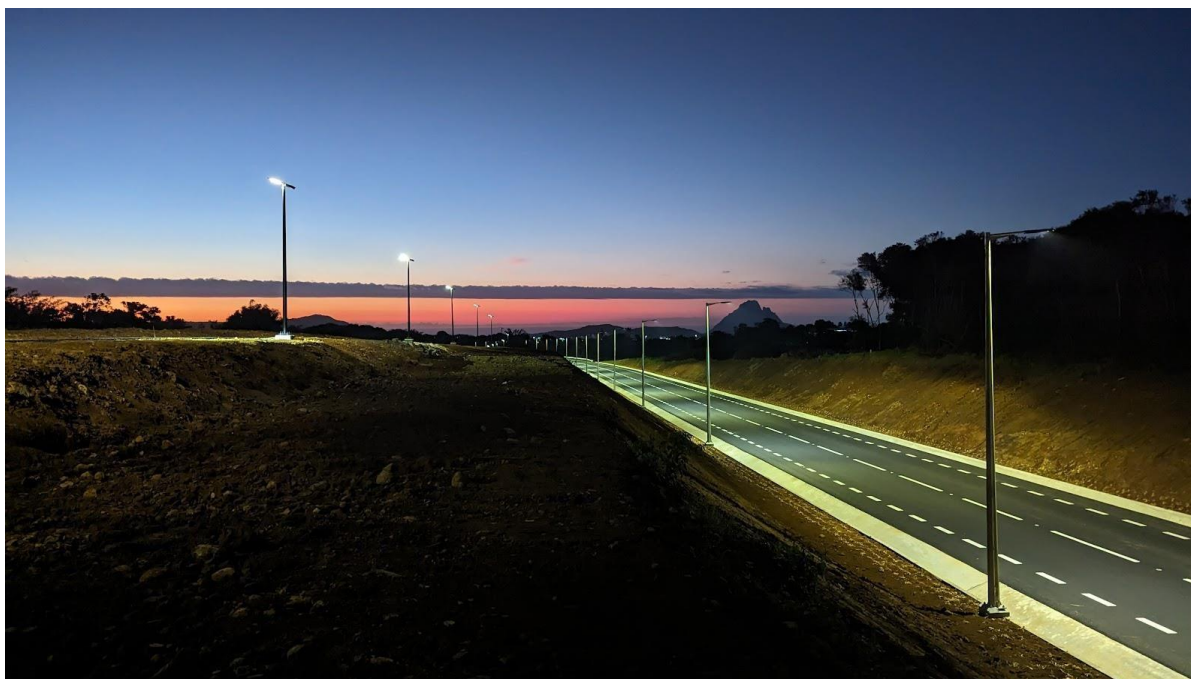
## 2.0 Major Achievements

On reaching the end of the financial period ending 30<sup>th</sup> June 2024, in line with its Key Performance Indicators, the Authority has successfully completed the undermentioned road projects

*Table 1: Completed Major Road Projects FY 23-24*

Project	Project Value (Rs M)	Payment Effected as at 30 <sup>th</sup> June 2024 (Rs M)
Construction of la Vigie La Brasserie Beaux Songes Link Road – Phase 1	781.94	762.40
Construction of A1-M1 Bridge	2974	2,876.31
Construction of a Bridge at Baie du Tombeau (in lieu of Pont Bruniquel)	171.2	107.1
Upgrading of B28 Road (Lot 3-Phase 2) from Beau Champ to Bel Air	156.2	113.9
Construction of Bois Cheri Bypass	256.80	158.0
Flood Mitigation Anse Jonchée along B28 Road	183.53	170.3
Counter Measure Works to Slope Failure at Batelage Souillac	95.6	74.7
Slope Failure at Rivière des Creoles along A15	79.8	71.6
Purging of Rock and Provision of Rocknet at Maconde Cliff	52.42	39.5
Grade Separated Junction to link St Pierre Bypass to Verdun	451.0	371.4

The following showcase the status of achievements



*Figure 1: Construction of La Vigie La Brasserie Beaux Songes link road - Phase 1*



*Figure 2 : SAJ Bridge*



*Figure 3: Upgrading of B28 Road (Lot 3- Phase 2) from Beau Champ to Bel Air*



*Figure 4: Construction of a Bridge at Baie du Tombeau (in lieu of Pont Bruniquel)*

## Ongoing Projects

The RDA, in an endeavour to address the problem of congestion while enhancing safety, sustainability and comfort, has pursued the implementation of the following projects. These roads are set to be completed in the coming year/s.

Project	Project Value Rs (M)	Expenditure as at 30.04.24 Rs (M)
Interchange construction and Improvement along M3-A14 corridor at Ebene	524.2	448.5
La Brasserie – Beaux Songes – Phase 2 (Works & Consultancy)	1597.8	558.7
Construction of Flic en Flac bypass from Pierrefonds to Xavier (Works & Consultancy)	1257.9	241.6
Upgrading of Holyrood Road	74.5	8.6
Construction of a Flyover on Motorway M1 at La Vigie	281.8	69.6
Construction of a Grade Separated Junction at Wooton	388.3	246.0
Construction of Hermitage Bypass	277.2	78.4
Construction of a Flyover on Motorway M2 at Terre -Rouge Roundabout	427.1	232.7
Stabilisation Works along B103 at Chamarel	294.3	61.8
Upgrading of Savanne (A9) from La Flora to Tyack	391.0	139.9



*Figure 5: Construction of Flic-en-Flac bypass from Xavier to Pierrefonds*



*Figure 6: Construction of a Flyover on Motorway M1 at La Vigie*



*Figure 7: Upgrading of Holyrood Road*



*Figure 8: Interchange construction and Improvement along M3-A14 corridor at Ebene*



*Figure 9: Construction of La Brasserie – Beaux Songes Link Road – Phase 2*



*Figure 10: Construction of a Grade Separated Junction at Wootton*



*Figure 11: Construction of Hermitage Bypass*



*Figure 12: Construction of Terre Rouge Flyover*



*Figure 13: Landslide Works at Chamarel -Works -B103*

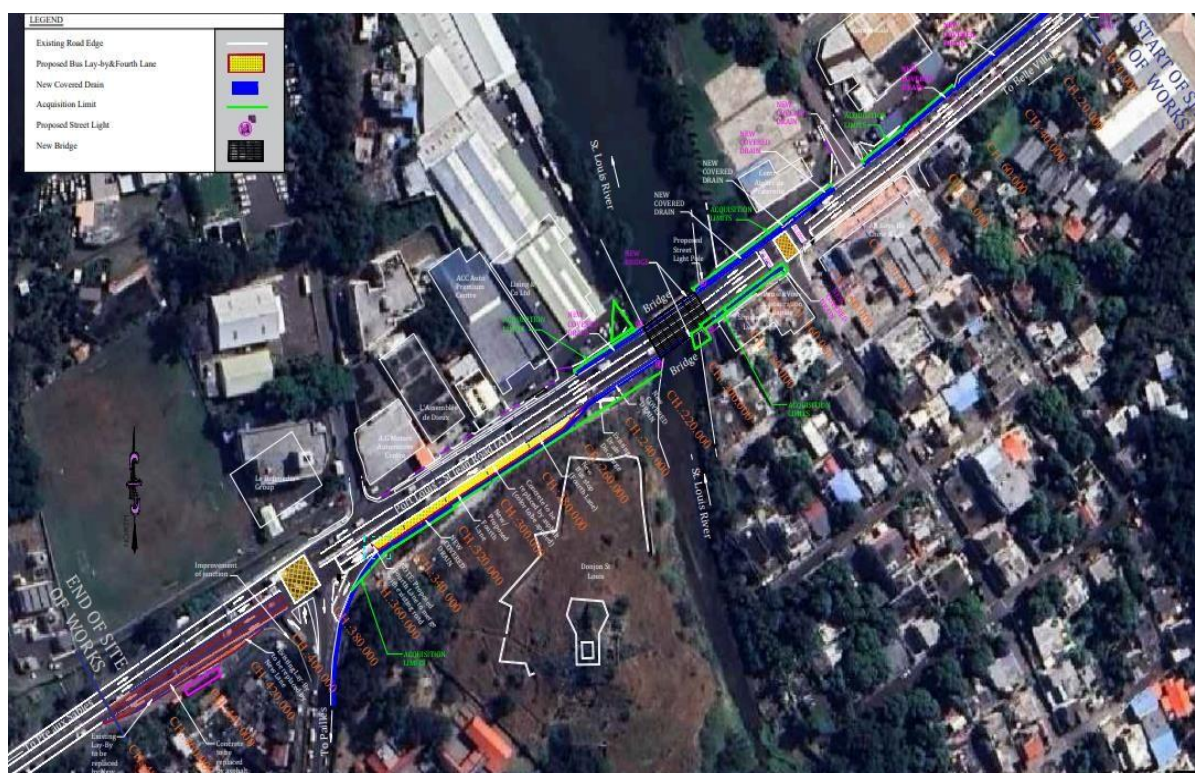


*Figure 14: Upgrading of Savanne Road (A9) from La Flora to Tyack*

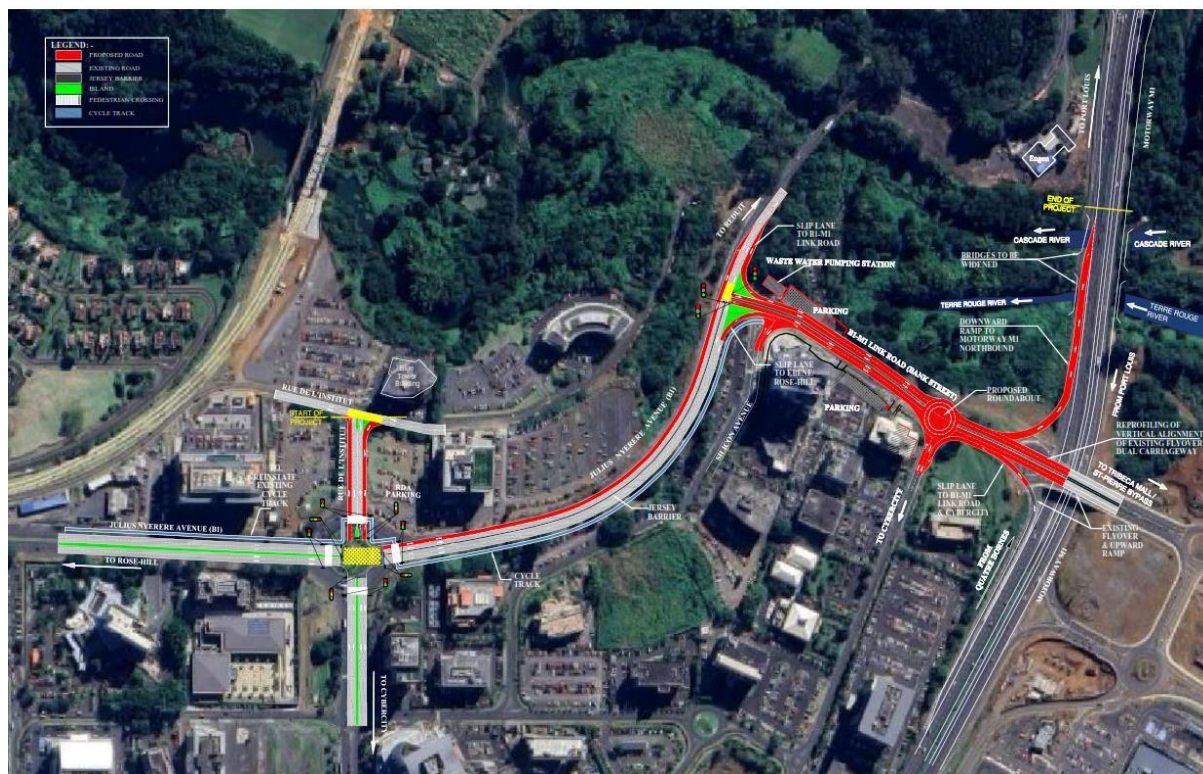
### 3.0 Forthcoming Road Projects

While pursuing its journey in the road construction and development sector, the Authority is moving ahead with the implementation of a number of road projects as provided in the national budget to further improve road connectivity while enhancing safety and comfort for the public. Some of these projects are highlighted below:

Project	Estimated Cost (Rs M)
Upgrading of Rouselle Bridge	100.0
Upgrading of Julius Nyerere Avenue (B1) and Construction of B1-M1 Link Road	432.6
Flyover Motorway M2 at Labourdonnais	550.0
Construction of Grade Separated Junction of Motorway M1 at Camp Fouquereaux	496.8
New Link Road from Britannia to Riviere des Anguilles	990.0



*Figure 15: Upgrading of Rouselle Bridge*



## 4.0 Road Maintenance and Rehabilitation

Roads are subject to damages through aging or physical alterations made thereto. While the RDA has embarked on new road projects, its endeavours to maintain its existing road network.

The Maintenance Division usually undertakes works arising from the routine inspection of roads, complaints by the public, requests from the Ministry of National Infrastructure and other Ministries/Departments and the National Task Force falling under the aegis of the Prime Minister's Office.

During the financial period under review, a number of works was undertaken under the Road Maintenance programme.

Routine and periodic maintenance of the RDA road network is done through the following:

- its direct labour from the 8 Sub offices located throughout the districts of the island;
- the Framework Agreement for Road Maintenance and Minor Works RDA for maintenance projects in view of the upgrading and rehabilitating roads and bridges.

During the financial period under review, the expenditure for road maintenance is tabled as hereunder

*Table 2: Budgetary expenditure for the Maintenance Division*

Periodic and Routine Maintenance Activities	Amount spent (MUR Million)
Rehabilitation of Roads & Bridges	312.4
Improvement of Safety and Provision of new safety features (Traffic signs, Guardrails, Road marking etc.)	36.6
Construction of footpath and drains	161.6
Routine Maintenance	69.2
<b>Total</b>	<b>579.8</b>

These Main activities under the Road Maintenance Programme were as follow:

*Table 3: Construction of New Footpath and Drain*

District	Construction of New Footpath and Drain/m
Black River	150
Moka	575
Pamplemousses	650
Riviere du Rempart	350
<b>Total</b>	<b>1725</b>

*Table 4: Fixing of Guardrails and Handrails*

District	Fixing of Guardrails and Handrails/m
Port Louis	650
Black River	650
Pamplemousses	300
Grand Port	650
Savanne	500
Plaine Wilhems	500
<b>Total</b>	<b>3250</b>

*Table 5: Rehabilitation of Footpath & Drain*

District	Rehabilitation of Footpath and
Port Louis	1400
Black River	1150
Moka	1500
Flacq	1700
Pamplemousses	1600
Riviere du Rempart	2050
Grand Port	3500
Savanne	3650
Plaine Wilhems	3150
Total	19700

*Table 6: Resurfacing of Roads*

District	Resurfacing/ km
Port Louis	4.2
Black River	3
Moka	15.8
Flacq	14
Pamplemousses	8.2
Riviere du Rempart	8.27
Grand Port	7
Savanne	3.2
Plaine Wilhems	10.9
Total	74.6

### Other Major Achievements under the Road Maintenance funded by the National Flood Management Programme

With a view to addressing the issue of flooding throughout the island, the RDA has closely worked with the Land Drainage Authority and the National Development Unit to complete the upgrading of a number of bridges and culvert. While a number of projects were completed during the period under review, further projects to resolve the problem of flooding have already been earmarked and were planned for implementation in the forthcoming financial period. As at 30<sup>th</sup> June 2024, the Authority undertook the following major works:

#### *Flood Mitigation Measures at Anse Jonchee along B28 Road*



*Figure 17: Road Conditions and Water Discharge before Works*



*Figure 18: Road Conditions and Water Discharge after Completion of Works*



*Figure 19: Road Conditions and Water Discharge before Works*



*Figure 20: Road Conditions and Water Discharge after Completion of Works*

### *Construction of a New Bridge and Associated Works at Holyrood, Vacoas*

#### **Road and Bridge Conditions After Works**



*Figure 21: Road and Bridge conditions before Works*

*Figure 22: Road and Bridge Conditions after Completion of Works*

## Complaint Management

With a view to effectively and efficiently manage complaints and queries from public, the RDA pursued its online Complaint Management System. Additionally, the hotline which was introduced to register complaints and to take applicable measures for quality service to the public, was maintained to enhance capture of complaints. The RDA also receives and deals with complaints from the Online Citizen Support Portal, administered by the Customer Support Unit (CSU), Prime Minister's Office. Out of the total number of complaints received, the Authority successfully addressed around 80% of them. The remaining complaints were, nevertheless, programmed in view of their resolutions in major road projects which are, however, subject to the availability of funds.

## Routine Maintenance in collaboration with the National Environment Cleaning Authority (NECA)

During the period under review, the RDA teamed with the National Environment Cleaning Authority for vegetation control along classified roads mainly the motorways. At the initial stage, the NECA started the cleaning of the sides of the motorways. As regards to the central verge, maintenance thereof was pursued by the RDA.

It is anticipated that ultimately, the NECA will take over the full control of vegetation of the motorways. In this vein, the RDA is looking forward towards the signature of a memorandum of understanding with the NECA.

## 5.0 Further Achievements

### Provision of Advisory Services

The Authority pursued with the provision of advisory services to different Ministry and Departments with regard to road and transport issues. It has also pursued with the provision of recommendations in respect of road infrastructure matters as a representative on a number of Boards and Committees including Morcellement Board, EIA Committee, Land Drainage, Traffic Impact Assessment (TIA), Natural Disaster & Risk Management Committee, Road Safety Audit, amongst others.

While contributing in the overall economic growth of the country and to promote businesses, the Authority has processed applications/clearance of diverse nature. During the financial period under review, the following were undertaken:

*Table 7: Views and Applications processed by the RDA*

Applications processed/Views submitted & follow up on Developments	Number of Applications Processed
Building and Land Use Permit (BLUP)	362
New Social Living Development (NSLD)	12
National Housing Development Corporation (NHDC)	17
Smart Cities & Property Development Scheme (PDS) (thr' the Economic Development Board)	17
Petrol Filling Stations (thr' Local Authorities & NLTA)	14
Environment Impact Assessment (EIA) & Preliminary Environmental Report (PER)	60
Morcellement (thr' the Morcellement Board)	912
Outline Planning Permission (OPP)	3
Land Conversion	14
<b>Total</b>	<b>1411</b>

### Public-Private Partnership

The Authority has pursued its collaboration with private stakeholders for enabling the implementation of smart cities. These projects include the following, amongst others;

- Savannah Smart City
- Cap Tamarin Smart City
- Azuri Smart City
- Yihai Garden Smart City Phase 3 at Pailles
- Unicity Smart City Project (Medine Ltd)
- Les Paletuviers Smart City

Additionally, the RDA is working together with different stakeholders on cost sharing basis for the implementation of the different road projects namely, the Verdun Bypass, the Flic-en- Flac Bypass and the Grade Separated Junction at Tribecca. This arrangement has laid foundation to future public-private partnership to materialise vital infrastructure for the country.

### *Gender Policy*

As adopted by the Parent Ministry, the Authority as well champions the Gender Policy, wherein in this so far male-dominated industry, much emphasis is being laid on Gender Equity. The recruitment of increasing female candidates over the past year, across all cadres speaks for itself, particularly in the Engineering, Technical, Financial, Administrative as well as Survey Sections. Additionally, as one of the rare parastatal bodies doing so, the advertisements for vacancies on the establishment of the Authority carry a special mention to encouraging female candidates to apply.

### *Staffing at RDA*

During the period 01<sup>st</sup> July 2023 to 30th June 2024, the RDA comprised 388 male and 56 female employees amounting to a total of 444 employees on its establishment.

Throughout the said period, there have been significant changes and mobility in its workforce with recruitment/promotions as hereunder

- 38 new Appointments
- 4 employees promoted
- 11 employees resigned from the service
- 5 retirements from the service

Additionally, the RDA extended its usual support to provide hands-on experience to fresh graduates and as such, the enlistment of two (2) trainees under the Youth Employment Programme (YEP) in April 2024. To contribute to the employability skills and expertise of registered Civil Engineers, the RDA is providing for appropriate training to currently nine (9) prospective engineers under the Trainee Engineer Scheme of the Ministry of Labour, Human Resource Development and Training. The highlight of this Financial Year for this Authority in terms of providing support to the student community at large was that the RDA signed a Memorandum of Understanding (MoU) with the Mauritius Institute of Training and Development (MITD) in February 2024 whereby four (4) trainees from the MITD have joined the RDA in March 2024 for one year's training for NC4 Draughtsmanship under the National Apprenticeship Programme (NAP).

## Capacity Building through Training and Development

During the period under review, training opportunities as tabled hereunder were provided to the staff of the RDA during period 01st July 2023 to 30th June 2024. Taking into consideration the prevailing sanitary precautions post the Covid-19 pandemic, some of the training sessions have been conducted online.

*Table 8: Training Session provided by the RDA*

SN	Training	Course	Date
1	Validation of the Human Resource Development Strategy and Capacity Building	Ministry of Environment, Solid Waste Management and Climate Change	03 July 2023
2	Training Course on Tunnel Engineering and technologies for Developing Countries	Online Training Programme- China	05th to 18th July 2023
3	National Drug Control Master Plan 2019-2023- Half Day Workshop on Alcohol, drug and other substances at the workplace	Ministry of Labour, Human Resource Development and Training	20th July 2023
4	A Data Collection Exercise for the 10- year Blueprint during an in-country visit by team of consultants from the World Bank (face to face interview)	World Bank and Ministry of Tourism	18th August 2023
5	Visit of Professor Jose Matos (from case study to worldwide perspective for the management of existing infrastructures	The University of Mauritius	05th September 2023
6	Training course on Advanced Microsoft Excel (1st Batch of Technical Officer)	Civil Service College, Mauritius (CSCM)	05th & 07th September 2023
7	Workshop on Enhancing Integrity and Effectiveness in the Inspection Function	ICAC	12th September 2023
8	Workshop on "Development of Landslide Hazard Map and Landslide Management Plan"	MNICD	12th September 2023
9	Invitation to attend the 11th Global Infrastructure Cooperation Conference (GICC 2023)	Ministry of Land, Infrastructure and Transport (MOLIT) of the Republic of Korea	19th to 20th September 2023
10	World Road Congress	Prague	02nd to 06th October 2023
11	Training course on Advanced Microsoft Excel (2nd Batch of Technical Officer)	Civil Service College, Mauritius (CSCM)	03rd & 05th October 2023
12	Hybrid Cloud Workshop (to transform operations with Azure Hybrid Cloud Solution)	State Informatics Limited (SIL)	04th October 2023
13	Training Course- Egypt Project Management Professional (PMP)	Egyptian Agency of Partnership for Development-EAPD	01st to 12th October 2023
14	One day workshop on Coastal Adaptation Measures and Evacuation Planning	JICA	26th October 2023
15	Workshop on Health & Safety Regulations, Hazard Identification and Risk Management on Construction Sites	CIDB (through MNICD)	26th October 2023

16	Workshop on "The 10-Year Blueprint for the Tourism Sector"- based on Infrastructure Planning	Ministry of Tourism	30th October 2023
17	Seminar on Road and Bridge Planning, Construction, Development and Management for Developing Countries	People's Republic of China	11th to 31st October 2023
18	Invitation for the 05th Privacy Symposium Africa (PSA) 2023	PSA 2023	07th to 09 <sup>th</sup> November 2023
19	Training Program on the implementation 1M Tree Plantation Programme 2023/2024 under the supervision of FAREI	National Environment Cleaning Authority (NECA)	07th and 10 <sup>th</sup> November 2023
20	Invitation to the Inception workshop of the GEF-7 Project- Promoting low carbon electric public bus transport in Mauritius	Ministry of Land Transport and Light Rail	08th November 2023
21	Enhancement of Oil Spill Response Workshop	Ministry of Environment, Solid Waste Management and Climate Change	10th November 2023
22	Road Safety Training Session for cleaning technicians	National Environment Cleaning Authority (NECA)	16th November 2023
23	Training course on Advanced Microsoft Excel (3rd Batch of Technical Officer)	Civil Service College, Mauritius (CSCM)	21st & 23rd November 2023
24	Training course on Advanced Microsoft Excel (4th Batch of Technical Officers)	Civil Service College, Mauritius (CSCM)	04th & 06th December 2023
25	Seminar on Safety Footwear	Prosafé & Co Ltd	22nd January 2024
26	Awareness and Training session on the E-DUTY free certificate platform (related to purchase a duty remitted car under the PRB Report 2021)	MRA Customs	23rd February 2024
27	Training course on Advanced Microsoft Excel 5th Batch of Technical Cadre (Technical Officers)	Civil Service College, Mauritius (CSCM)	19th & 21st March 2024
28	eGOV Conference 2024: Smart Governance with Govtech	State Informatics Limited (SIL)	8th April 2024
29	Training course on Advanced Microsoft Excel 6th Batch of Technical Cadre (T.O-C.E)	Civil Service College, Mauritius (CSCM)	15th & 17th April 2024
30	Awareness Session on Gender Concept	Gender Cell, MNICD	14th May 2024
31	Invitation to the World Metrology Day	Mauritius Standards Bureau (MSB)	20th May 2024
32	Invitation to the Validation Workshop- draft VNR 2024 report- 21 May 2024	Ministry of Foreign Affairs, Regional Integration & International Trade	21st May 2024
33	Seminar on Occupational Safety and Health for Employees working in Parastatal Bodies	Ministry of Labour, Human Resource Development and Training	29th & 30th May 2024

34	Access Road to technopark at Baladirou (to submit urgent views and recommendations)	Deputy Chief Commissioner's Office (Rodrigues Regional Assembly)	3rd to 5th June 2024
35	Seminar on Information Technology of Geological Survey for Developing Countries	China (Online)	6th to 19th June 2024
36	Capacity Building Program	Korea Expressway Corporation (KEC)	8th to 21st June 2024
37	Consultative Workshop on 'Sustainable Land Management and Biodiversity Conservation in the Republic of Mauritius-Consultative Meeting-Legal Specialist'	United Nations Development Programme (UNDP)	19th June 2024

## 6.0 Innovation Approaches/ Road Technologies paving towards Sustainability

### *Use of Recycled Asphalt*

The Authority introduced the use of recycled asphalt in its road maintenance programme through the Framework Agreement for Maintenance (2020-2023) as part of its policy on climate change, resilient infrastructure, and sustainable development. During the period under review, RDA pursued its programme regarding the resurfacing of roads with recycled asphalt.

### *Bicycle Lane Network*

The concept of Bicycle lanes aims at enhancing safety and reduce congestion in line with the national policy. In line with the vision of Government, the RDA has implemented bicycle lane in new Project namely in the Verdun Bypass project. RDA is ensuring that new projects cater for bicycle lanes in the planning/concept stages.

### *Solar Lighting*

In line with the 2030 Agenda for Environment and Sustainable Development goals, the Road Development Authority has embarked on two major ongoing pilot projects for the testing of Stand-Alone Solar Led Street Lighting. Taking into account the effectiveness of solar street lighting, the RDA was pursuing with the implementation of such innovative system within the existing and new roads under purview of RDA.

### *Vertical Landscaping*

The Phoenix flyover was earmarked to be landscaped on a pilot basis through the covering of the MSE walls with plants enhancing the visual experience of traveling across the flyover. The RDA launched the procurement exercise to retain a suitable contractor for vertical landscaping in October 2023. Thereafter, the Contract was awarded to EAP Ltd, where it is anticipated that works would start by early August 2023.

### *Proposed amendments to Roads Act in connection with Advertisement*

The advertising business is one amongst the means for revenue generation. RDA, being the regulatory body for display of billboards and advertising structures, is looking forward to the introduction of new legislations governing the subject of advertisement along classified roads and on footbridges/underpass. These new legislations will harmonise advertisements while reviewing the fees associated thereto. As at 30th June 2024, the RDA has submitted the draft legislation governing the erection and display of Advertising Structures and controlling the display of advertisement located along or visible from classified roads. These amendments will:

- (i) harmonise other existing regulations governing advertising,
- (ii) empower the RDA to issue guidelines for the control of advertising structure and advertisement.

The proposed processing/administrative fees in connection thereof has been sent to the Attorney General Office for vetting.

## *Erection, display, maintenance, and management of totem structures located along or visible from Classified Roads*

In January 2024, the Road Development Authority (RDA) has appointed Media Five Ltd in a joint venture (JV) with PSS-Ralph I.O Ltd, Organic Lawn Care Company Ltd, and POP2Position (Pty) Ltd in an effort to harmonize and standardize all indicative panels, directional signs, and existing totem structures.

As such, Media Five Ltd and its JV partners will now be responsible for the following over a period of three years:

1. Erecting, displaying, maintaining, and managing directional panels on totem structures,
2. Maintaining, controlling, operating, and managing the entire totem system located along or visible from Main Roads and Motorways,
3. Reducing the proliferation of indicative panels, directional signs, and existing totem structures by regrouping them onto standardized totem structures at strategic locations along or visible from Motorways and Main Roads.
4. Contributing to the aesthetic appeal of Motorways and Main Roads infrastructure through the high-quality display of totems, thereby achieving a cleaner and greener Mauritius.

## *Digitalisation of The Authority*

Digitalisation is inevitable to cope with the today's business environment in the era where extreme competition occurs. While digitalisation facilitates the work processes, it also positively contributes towards sustainability by reducing paper work, more timely processing and accuracy.

### *• Digitalisation of the Finance activities*

During the period under review, the services of a contractor was retained by the Authority for the computerisation of the finance and the human resource processes. As at 30 June 2024, work flows and digital processes were at the development stage.

### *• Electronic Document Management System (e-DMS)*

The digitalisation of its internal registry processes in view of enhancing quality and timely service delivery through an Electronic Document Management System (e-DMS) at the Authority has been delayed by the supplier. There have been several correspondences submitted to the supplier, including review of its performance for the delays. While liquidated damages were intended to be applied to the supplier, more severe sanctions such as debarment of the supplier due to poor performance, in line with PPO Directives, would not to be excluded. The performance of the supplier was being closely followed by the RDA.

## 7.0 Strategic Direction

### Enhancing the Road Network System

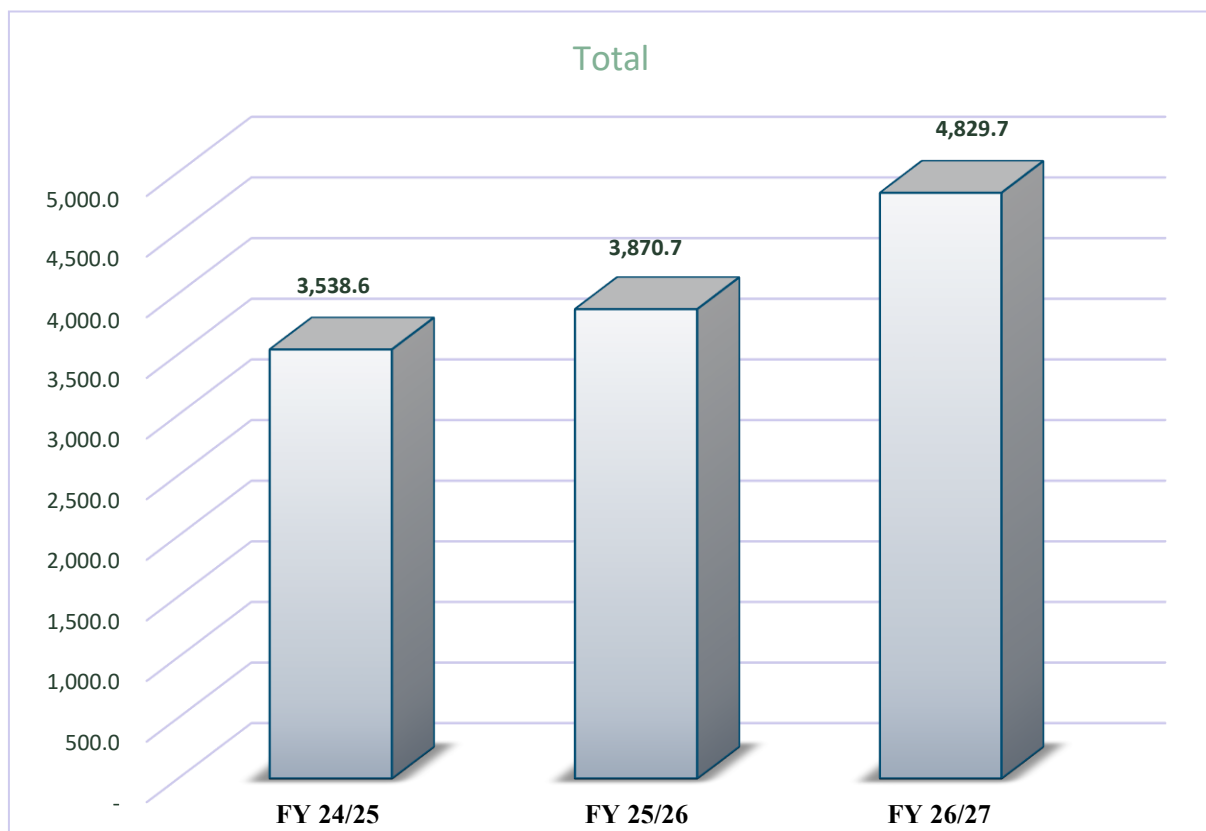
The Authority is looking forward to the implementation of a myriad of road projects to further expand its network while maintaining other roads in its purview to standards. With a view to enabling its mission, the Authority has been granted with the following budgetary provisions as follow:

*Table 9: Budget Estimates for next Financial Period*

RDA EXECUTIVE BUDGET SUMMARY ESTIMATES 2024/25		
		Estimates FY 2024/25
Description		Rs M
Ongoing projects		
Studies		0.3
Construction and Upgrading of Roads		996.41
Bridges		25.9
Climate and Sustainability Fund		156.1
Project Development Fund		1,500.93
Maintenance		600.0
Sub Total - ongoing projects		3,279.64
New Capital projects :		
Studies		
Construction and Upgrading of Roads		154.0
Bridges		
Project Development Fund		105.0
Climate and Sustainability Fund		
Sub Total- new projects		259.0
GRAND TOTAL		3,538.64

The RDA is further looking forward to further enhance the road network while ensuring for safety, road decongestion and improved connectivity. The Authority is looking forward to implement the following new projects, already conceptualised, in line with its three-year delivery plan.

In the next 3-year period, a sum of around Rs 11 billion is expected to be allocated to the RDA for the implementation of new roads and maintenance of the overall RDA road network.



*Figure 23: Looking forward for FY 24/25, 25/26 and 26/27 (Rs M)*

# CORPORATE GOVERNANCE REPORT

## Introduction

The Road Development Authority (RDA), a body corporate established by Act No. 6 of 1998, operates under the aegis of the Ministry of National Infrastructure and Community Development. It is established to carry out duties as per Road Act and RDA Act. RDA is also a representative on the Morcellement Board, EIA Committee and other committees including Land Drainage, TIA etc, wherein recommendations in regard to access on classified roads and motorways are given.

The RDA is required to comply with the National Code of Corporate Governance for Mauritius, 2016 (the 'Code') by virtue of the provisions of the Financial Reporting Act 2004.

This Corporate Governance Report highlights how the RDA has implemented the recommendations of the Code.

## Governance Structure

### Board Structure

The RDA has an effective Board which leads and controls the organization. It has the following main functions:

- *To approve, monitor, review and evaluate the implementation of strategies, policies, and business plans;*
- *To prepare a statement of corporate objectives;*
- *To ensure that the RDA complies with the highest standards of governance and that it has an effective system of control in place so that risks can be properly assessed and managed;*
- *To ensure that communication of all material information to the stakeholders be made in a transparent way.*

### Vision

The RDA aims to provide a reliable road network to support the main economic activities of the country through the effective movement of people and goods.

### Mission

The mission of Road Development Authority is to provide a cost-efficient mobility in comfort and safety for the Mauritian population and its economic operators to all parts of the island, by developing, preserving, and maintaining a high standard classified road network through the judicious use of human, material, financial, and technological resources.

## Organizational Chart

The Road Development Authority has an approved organisation chart (by the Board) spelling out the senior governance position and their respective major accountabilities with respect to the functions devolved on the authority.

## Objectives of the Authority

As per the RDA Act, the Authority is responsible for the construction, care, maintenance and improvement of motorways and main roads.

## Duties and Functions

**The Duties and Functions of the authority are:**

- a) To plan, design and supervise the construction of roads, intended to be classified as motorways and main roads;
- b) To carry out or cause to be carried out the upgrading of motorways and main roads and their routine and periodic maintenance;
- c) To maintain existing bridges, tunnels and associated works on motorways and main roads;
- d) To plan, design and supervise the construction and reconstruction of bridges, tunnels and associated works on motorways and main roads;
- e) To advise the Minister on the formulation of a road development policy;
- f) To advise the Minister on the management policy of roads;
- g) To prepare and implement road development schemes;
- h) To conduct and coordinate research and investigation on materials required for road construction;
- i) To control the display of advertisements along or visible from motorways and main roads;
- j) To regulate undertakers' works in relation to motorways and main roads.

## Services provided by the Authority

The main services provided by the Authority are:

- *Providing new roads as an integral part of national development.*
- *Maintaining the classified road network in a safe and ride able quality.*
- *Ensuring that bridges on classified roads are safe and to standard.*
- *Giving clearance for access on classified roads.*
- *Controlling advertisement on classified roads.*
- *Controlling undertaker's works on classified roads.*
- *Providing advice on road development policies.*
- *Providing services for material testing.*
- *Processing applications/giving recommendations for EIA and Morcellement and giving clearances at technical Committees.*

In addition to the above normal activities, RDA provides collaboration to Private Sector in several developments of private projects including Smart Cities.

RDA also provides advisory services to different Ministries and Departments with regards to road and transport issues; and undertakes some contractual works on behalf of Traffic Management Road Safety Unit, Local Government, CWA including road surfacing, drainage works, handrails etc.

### **Key Governance Responsibilities and Accountabilities**

The Board ensures that proper standards of Corporate Governance are applied and maintained throughout the organisation. The following key governance positions are critical in enabling the Board to fulfil its mission, vision and objectives:

#### **Chairman of the Board**

The Chairman is non-executive and is appointed by Minister in compliance with the RDA Act 1998.

#### **General Manager**

The General Manager is the Chief Executive Officer of the Authority and is appointed by the Board with the approval of the Minister in accordance to the RDA Act 1998.

The General Manager is responsible for the implementation of the policies of the Board, for achieving the financial operating goals and objectives and ensuring proper management and monitoring of the day-to-day affairs of the organization. In the performance of his duty, the General Manager is assisted by two Deputy General Managers.

#### **Management Team**

Every employee of the Authority shall be under the administrative control of the General Manager. The Board may make provision, in such form as it may determine, to govern the conditions of service of the employees of the Authority and, in particular, for –

- (a) the appointment, dismissal, discipline, pay and leave of the employees of the Authority;
- (b) appeals by officers against dismissal and other disciplinary measures.

The RDA is basically a technical organisation headed by professional Engineers and supported by administrative personnel. The main challenge of the Authority is, therefore, to manage efficiently its limited resources to further achieve its main objectives.

The activities of the RDA are organised under two executive arms, namely, Administration and Technical. The Administration arm encompasses Secretariat and Finance while the technical arm comprises the Planning Division, Development Division Implementation Division, the Maintenance Division, and a Special Support Division with each division headed by a Divisional Manager. The Secretariat is under the administrative

control of an Administrative Manager who is also responsible for the Stores Section. The Financial Manager is the head of the Finance Section. The Organisation Chart is at Appendix 1.



The Structure of the Board and Its Committees		
<b>Board Structure</b>		
The structure, composition and size of the Board have been established in accordance with Section 7 of the RDA Act 1998 as amended. The Act provides for the Authority to be administered and controlled by the Road Development Authority Board.		
<b>Board Composition</b>		
The Board of RDA consists of eleven Directors who are all non-executive and independent ones. They come from diverse business and academic backgrounds and possess the necessary knowledge, skills, objectivity, integrity, experience, and commitment to make sound Corporate Governance. The Chairperson is independent from the Parent Ministry.		
<b>Board Members</b>		
The composition of the Board of RDA as at 30 <sup>th</sup> June 2024 was as follows:		
<div><div><div>Chairperson</div><div></div><div>Mr. PATRON Louis Joel Yves as from 20<sup>th</sup> May 2020</div></div><div><div>General Manager</div><div></div><div>Mr. MOWLABACCUS Nazeer</div></div></div>		

Table 10: Composition of the Board

### Profile of Board Members

Board Members	Name	Designation and Qualification
<b>Representative of Ministry of National Infrastructure and Community Development (National Infrastructure Division)</b>	Mr. BUNDHOOA Geeanesswar (from 21 April 2023 to 14 March 2024)  Mrs. PUDARUTH RUCHAIA Indira (as from 22 April 2024)	Permanent Secretary- MNICD
<b>Representative of Ministry of Public Infrastructure and Land Transport (Land Transport Division)</b>	Mr NATHOO Dharamdev (as from 15 April 2021)	Director- Traffic Management and Road Safety Unit Registered Civil Engineer BSc (Hons) Civil Engineering
<b>Representative of the Prime Minister's Office (PMO)</b>	Mrs DASSAYE Preeyadarshanee (from 25 February 2021 to 28 December 2023)  Mrs. DOMUN Shalini Devi (as from 28 December 2023)	Deputy Permanent Secretary - PMO MBA BSc (Hons) Economics  Deputy Permanent Secretary - PMO MBA- Project Management BSc (Hons) Public Administration and Management
<b>Representative of the Ministry of Finance and Economic Development &amp; Planning</b>	Mr. RAMDHANY Ajay (as from 24 May 2016)	Lead Analyst- MOFEDP MBA (with Financial Risk Management), FCCA
<b>Representative of Commissioner of Police</b>	Mr. GANGADIN Dunraz (From 14 February 2022 to 30 April 2024) Mr. RAMBURN Sandeepsingh (as from 30 April 2024)	Superintendent of Police- Police Head Quarters
<b>Representative of the Ministry of Housing &amp; Land Use Planning</b>	Mr. LUCHOO Navinchandra (as from 02 December 2021)	Chief Surveyor - MBA- Specialising in Information Systems Land Surveyor Commission, Category B Hydrology
<b>Representative of the Ministry of Land Drainage Authority (LDA)</b>	Mr. KHEDAH Mahen Nuvin (as from 02 December 2021)	Director -LDA Registered Civil Engineer MSc Project Management B Eng (Hons) Civil Engineering Diploma Human Resource Management & IR
<b>Appointed Member</b>	Mr. SOMAI Beejaye (as from 2 March 2018)	Diplomas from International Labour Organisation Certificates of attendance in various workshops
<b>Appointed Member</b>	Mr. BASSAWAN Al Jameel Mohamad (as from 20 May 2020)	Registered Professional Engineer MSc Project Management B.Eng (Hons) Electrical & Electronics Engineering
<b>Appointed Member</b>	Mr. JHUNGUN Satyam (as from 21 August 2023)	BSc (Hons) Management
<b>General Manager, RDA</b>	Mr. MOWLABACCUS Nazeer	Registered Civil Engineer Master of Science in Civil Engineering Associate Member of the Institute of Infrastructure Asset Management, Malaysia (Asia Region) Post Graduate Certificate in Airport Design & Construction and Airport Maintenance from Civil Aviation Academy of Singapore Certificate in Infrastructure Asset Management from Institute for Infrastructure Asset Management
<b>Secretary, RDA</b>	Mr. TEELUCK Nishal	Administrative Officer MBA Human Resource & Knowledge Management BSc (Hons) Occupational Safety & Health Management



*Figure 24: The Board of the Authority*

### **Board and Sub Committees**

The Board, under the powers conferred by the Act, has set up three Sub Committees of the Board, as a mechanism to assist the Board in giving detailed attention to specific areas. The Board Committees for the period were as follows:

- 1. Human Resource Committee***
- 2. Risk Monitoring Committee***
- 3. Finance Committee***

*Table 11: Composition of Sub Committees*

Members	Human Resource	Risk Monitoring	Finance
Chairman	-	-	-
Representative of Ministry of National Infrastructure and Community Development (Public Infrastructure Division)	√	√	√
Representative of Ministry of Land Transport and Light Rail	√	-	√
Representative of the Ministry of Finance, Economic Planning & Development	-	-	√ Chairperson
Representative of Prime Minister's Office	-	√	√
Representative of the Commissioner of Police	√	√	-
Representative of the Ministry of Housing & Land Use Planning	-	-	-
Representative of the Land Drainage Authority	-	-	-
Appointed Members – Mr. B. Somai	√	-	-
Appointed Members – Mr. A.J. M. Bassawon	-	√	-
Appointed Members – Mr. S. Jhungun	-	√	-

The terms of reference of each subcommittee are formally approved by the Board as further detailed.

### Human Resource Committee

The Human Resource Committee considers and makes recommendations to the Board on matters relating to, inter-alia:

- *Human Resource Strategies;*
- *Selection and Appointment;*
- *Remuneration and Performance Management;*
- *Training and Development;*
- *Conditions of services;*
- *Disciplinary and industrial dispute*

The General Manager and the Ag. Human Resources Management Officer are in attendance. The Human Resource Committee is normally the Selection Board which conducts interviews, carries out selection exercises and makes recommendations for recruitment and promotion to the Board. Besides, the Board co-opts other Members in the selection Panel depending upon the posts. With a view to bringing more objectivity in the selection exercise and to ensure that the Authority hires the best candidate for key positions, the Board/Selection Panel carries a second round of reiteration sessions with the shortlisted candidates.

## Secretary

The Administrative Officer was assigned the duties of Secretary to the Committee.

## Finance Committee

The Finance is a standing committee of the RDA Board. Apart from finance issues, the Committee is called upon to look after most economic and efficient design, procurement, and implementation of projects. The Committee conducts independent and objective review of financial and procurement policies and processes and performance issues. The Committee's main responsibilities include the following, amongst others:

- *To ensure that there is an effective and consistent framework of financial and procurement regulations and procedures, and that they are regularly and comprehensively approved;*
- *To recommend the medium-term budget in line with the Strategic Plan and the RDA's prioritised objectives for approval by the Board;*
- *To review progress reports on the delivery and improvement plans with regard to all aspects of programme(s) implementation, including financial and non-financial parameters;*
- *To monitor performance against agreed performance indicators in relation to programme and project implementation;*
- *To develop, monitor and review the Procurement Strategy and the Capital Investment Programme and make recommendations to the Board;*
- *To review and recommend contract and financial matters which arise in between meetings of the Board and make decisions including approval of contracts for onward approval of the Board;*
- *To recommend and keep under review, on behalf of the Board, the RDA procurement plan;*
- *To ensure that procurement of goods and services is carried out in line with established legal framework;*
- *To determine corrective actions necessary to address any adverse trends and report to the Board on any serious service delivery failures or concerns;*
- *To review and recommend the final accounts of the RDA for approval by the Board; and*
- *To undertake any other such duties as may be directed by the Board.*

The Committee met on 8 occasions during the financial period under review. The General Manager, the Deputy General Manager and the Financial Manager are in attendance.

## Secretary

The Administrative Officer was assigned the duties of Secretary to the Committee.

## Risk Monitoring Committee

In line with the National Code of Corporate Governance for Mauritius (2016), the roles and responsibilities of the Risk Monitoring Committee are to review and report to the Board on significant financial reporting issues and judgments which the Financial Statements of the RDA contain, having regard to matters communicated to the Committee by the Internal Auditor.

Its responsibilities are also to:

- Review the processes effected by RDA's management and other personnel which are designed to provide reasonable assurance of the achievement of objectives in the following categories:
  - 1) *Operational Effectiveness and Efficiency*
  - 2) *Financial Reporting Reliability*
  - 3) *Applicable Laws and Regulations Compliance*
- Review the various components (Control Environment, Risk Assessment, Control Activities, Information and Communication, Monitoring) forming the pillars upon which rely RDA's mission, strategies, and related business objectives.

These components work to establish the foundation for sound internal auditing within the Organisation through directed leadership, shared values and a culture that emphasizes accountability for control. The various risks facing the RDA are identified and assessed routinely at all levels and within all functions in the Organisation through quarterly reports submitted to Committee members, subsequently transmitted to Board members with the recommendations of the Committee.

### *Secretary*

The Administrative Officer was assigned the duties of Secretary.

## Management Profile as at 30 June 2024

The Road Development Authority is headed by the General Manager who is responsible for the implementation of the policies of the Board, for achieving the financial operating goals and objectives and ensuring proper management and monitoring of the day-to-day affairs of the organisation.

Name	Designation	Qualifications
Mr. Nazeer Mowlabaccus	General Manager	Registered Civil Engineer Master of Science in Civil Engineering Associate Member of the Institute of for Infrastructure Asset Management, Malaysia Post Graduate Certificate in Airport Design & Construction and Airport Maintenance - Singapore Certificate in Infrastructure Asset Management, Malaysia
Ms Zulaikha Bai Alimohamed	Deputy General Manager	Registered Civil Engineer, B Tech (Hons) in Civil Engineering, Certificate in Computer Science and Programming
Mr. Dharminder Mungrah	Deputy General Manager	Registered Civil Engineer MSc Project Management BTech (Hons) in Civil Engineering
Mr. Shantaram Jankee	Divisional Manager	Registered Civil Engineer MSc in Quality Management Degree of Bachelor of Civil Engineering
Mr. Ali Asraf Jhumka	Divisional Manager	Registered Civil Engineer, Master of Business Administration, BTech (Hons) in Civil Engineering
Mr. Rishikesh Jugoo	Divisional Manager	Registered Civil Engineer MSc in Quality Management BTech (Hons) in Civil Engineering
Mr. Chansraj Puchooa	Divisional Manager	Registered Civil Engineer BTech (Hons) in Civil Engineering Master of Transport Management Chartered Member of the Chartered Institute of Logistic and Transport
Mr. Mahen Hurree	Assistant Divisional Manager	Registered Civil Engineer BTech (Hons) in Civil Engineering
Mr. Dharmen Sunyasi	Assistant Divisional Manager	B. Eng Civil Engineering
Mr. Ashraf Ally Nabeebux	Assistant Divisional Manager	Master in Information Technology B. Eng Civil Engineering
Mr. Oomesh Beekarry	Assistant Divisional Manager	B. Eng Civil Engineering
Mr. Chandranand Lobind	Assistant Divisional Manager	B. Eng Civil Engineering
Mr. Anandlall Baboolall	Financial Manager	Fellow Certified Chartered Accountant
Mr. Kedurnath Ramphul	Administrative Manager	Master in Laws incorporating Common Professional Examinations MSc Quality Management BSc Management Diploma in Public Administration Management Certificate in Computer Science and Programming

## Appointment of Board Members

The Board is appointed by the Minister of the parent Ministry as per Section 7 of the RDA Act. The Chairman is appointed by the Minister on such terms and conditions as he may decide as per section 7(3) of the Act. Seven of the Board Members are ex-officio - representatives of different Ministries and three are appointed Members having experience in road construction, traffic management, road transport, scientific or administrative matters.

## Tenure of Office

The present tenure of office of members is for 2 years and are eligible for re-appointment. The Board was constituted on 20<sup>th</sup> May 2020 with Mr. J. Patron as the Chairman. With the reconstitution of the Board on 20<sup>th</sup> May 2022 and on 20<sup>th</sup> May 2024, Mr. J. Patron remained as the Chairman of the RDA Board.

## Conflict of Interests

Any member of the Board who acquires any interest in any civil engineering undertaking or consultancy has to resign from the Board as stipulated in the Act. Additionally, all Board members and officials of RDA are required to disclose their interest as soon as the relevant facts come to their knowledge and do not participate in any deliberation or any decision with respect to the matter. Records, with regards to declarations made by Directors for conflicts of interests, are maintained in a register.

## Director Duties, Remuneration and Performance

### Role, Function and Powers of the Board

The role, function and powers of the Board are determined by the RDA Act. The Board is the focal part of the Corporate Governance System and is ultimately accountable and responsible for the performance and affairs of the Authority. Its main responsibility is to determine the Authority's strategies and policies for the implementation of the objectives of the Authority as defined in the Act. It ensures performance in accordance with the objects of the RDA, performance-based budgeting; and compliance in accordance with relevant laws, regulations, codes of best business practices.

### Attendance to Board Meetings and of its Sub Committees

The Board has also set up three Sub Committees of the Board under the powers conferred by the Act, as a mechanism to assist the Board in giving detailed attention to specific areas: -

- Human Resource Committee
- Risk Monitoring Committee
- Finance Committee

Board Meetings of the Road Development Authority and its Sub Committees are regularly held and at times they are supplemented by special meetings and Resolution by Circulation to attend to issues which require urgent attention. The Board met on 12 occasions during the financial period under review. Most of the Board Members or their alternate attended the Board meetings/Sub Committees as scheduled.

NAME	Board (12)	Human Resource (9)	Risk Monitoring (2)	Finance (8)
Chairperson - Mr. J. Patron	12	-	-	-
Representative of Ministry of National Infrastructure and Community Development (Public Infrastructure Division)	10	8	1	8
Representative of Ministry of Land Transport and Light Rail (Land Transport Division)	9	7	-	7
Representative of Prime Minister's Office	8	-	-	5
Representative of Ministry of Finance, Economic Planning & Development	11	-	-	8
Representative of Commissioner of Police	10	5	2	-
Representative of Housing & Land Use Planning	11	-	-	-
Representative of Land Drainage Authority	9	-	-	-
Appointed member - Mr. Beejaye Somai	8	8	-	-
Appointed member - Mr. Al Jameel Mohamad Bassawan	11	-	2	-
Appointed member - Mr. Satyam Jhungun	10	-	1	-

#### *Attendance to Board and Sub-Committee Meeting*

## Remuneration of Board Members

The Chairperson is remunerated in accordance with Section 7 (3) (a) of RDA Act and the members of the Board and other Sub-Committees are remunerated in accordance with the provisions of the Pay Research Bureau Report. Fees paid to members amounted to Rs **1,552,250.00** during the 12 months period, detailed as follow:

Members	Name	Board Allowance (MUR)
Chairman	Mr. L. J. Y. J Patron	<b>900,000.00</b>
Representative of the Ministry of National Infrastructure and Community Development (National Infrastructure Division)	Mr D. Gaoneadry	<b>5,000.00</b>
	Mr G. Bundhooa	<b>93,125.00</b>
	Mrs I.Pudaruth-Ruchaia	<b>18,775.00</b>
	Mrs T. Codadeen	<b>10,350.00</b>
Representative of the Ministry of Land Transport and Light Rail	Mr D. Nathoo	<b>92,325.00</b>
	Mr H. Sungker	<b>4,975.00</b>
Representative of the Ministry of Finance, Economic Planning and Development Representative of the Prime Minister's Office	Mr A. Ramdhany	<b>67,525.00</b>
	Mrs P. Dassaye	<b>32,775.00</b>
	Mrs S.Domun	<b>13,575.00</b>
Representative of the Ministry of Housing & Land Use Planning	Mr. N. Luchoo	<b>47,375.00</b>
Representative of the Land Drainage Authority	Mr N. Khedah	<b>38,750.00</b>
Representative of Commissioner of Police	Mr D. Gangadin	<b>59,275.00</b>
	Mr S. Ramburn	<b>7,850.00</b>
Appointed Members	Mr B Somai	<b>80,275.00</b>
	Mr A. J. M. Bassawon	<b>49,075.00</b>
	Mr S. Jhungun	<b>31,225.00</b>

### *Remuneration of Board Members*

## Risk Governance and Internal Control

### Risk Governance and Management

The Board of the Road Development Authority is responsible for the total process of risk management and ensures that the Organisation develops and executes a comprehensive and robust system of risk management. The process of risk management includes the systematic and continuous identification and evaluation of risks as they pertain to the different units / sections of the organisation. Strategies are then developed to eliminate, transfer or mitigate each risk as and when they are identified and evaluated.

The Board has put in place and maintained several mechanisms and committees both at the Board level and at Management level in its risk management initiatives.

### Internal Audit

At the Road Development Authority, Internal Auditing is an objective assurance and consulting activity designed by management to add value and improve the organisation's operations. It helps the organization to achieve its strategic objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes. With a view to further enhancing quality and addressing shortcomings, if any, the support of an experienced engineer has been provided to Internal Auditor.

Internal Audit exercise is carried out in this perspective. The Annual Audit Plan is a risk-gearred audit plan which is reviewed by Management as well as the Risk Monitoring Committee of the Road Development Authority. It is consequently approved by the Board.

### Technical/Quality Audit

Management has maintained a Technical Audit Team, consisting of experienced Principal Technical Officers and headed by the DGM, whose mandate is to carry out inspections on on-going capital projects and report upon any irregularities that they come through. These reports and the corrective measures taken to address problems reported thereon, are subsequently passed on to the Risk Monitoring Committee. This task can be considered as a consulting activity which can also help to reduce or mitigate certain risks that can be encountered during project implementation.

### Risk Management

RDA has maintained a top risk register with a view to providing assistance in identifying, analysing, assessing, treating, monitoring and communicating top strategic risks. The strategic risks are assessed through a risk matrix, where risks are calculated on the basis of their respective severity and likelihood. The

high rated risks are dealt with in priority so that they are reduced to insignificant and acceptable level through the implementation of mitigating actions.

Moreover, policies, procedures and practices to the tasks have been reviewed to effectively manage the risks. Additionally, a Risk Monitoring Committee, which is a subcommittee of the Board, independently reviews the corporate risks and mitigations.

Furthermore, Management Team under the chair of the General Manager regularly brainstorms on lessons learned from both - project failures/delays and successful ones to review its processes and systems and capture lessons for future improvement. Besides, a Safety and Health Committee has also been maintained regularly to identify, assess and prioritise safety related risks and hazards to ensure a safe working environment and positive actions being taken.

### Procurement Committee

The Procurement Committee is an internal committee of the Management which reviews and makes recommendations to the Board through the General Manager on matters relating to procurement, bids evaluation and award of contracts in accordance with the Public Procurement Act, Regulations and Directives. The Deputy General Manager or his representative, one Divisional Manager, the Financial Manager and the Principal Procurement and Supply Officer form part of the Committee. An Office Management Assistant is designated as Secretary.

During the period under review, there were 73 sittings of the RDA Procurement Committee.

### Control on variation in cost in project

With a view to strengthening the procurement mechanism and to reduce variations in project, the Board has maintained a control mechanism with the following measures: -

- (i) The internal Procurement Committee takes due diligence in its evaluation and recommendations of bids to the General Manager and/or to the Board;
- (ii) An officer from the Finance Section is co-opted in the Bid Evaluation Committee to ensure financial efficiency;
- (iii) With a view to minimising unfavourable fluctuations in exchange rate, the RDA usually favours local currency to foreign one, to consider payment in local currency for local inputs and not to put local contractors in a disadvantage position;
- (iv) Good project management practices and proper planning and design have been institutionalized;
- (v) Negotiation on variations between the contractor and the Project Engineer from RDA or Consultancy Firm are kept transparent and in line with Public Procurement Act, Regulations and Directives. Negotiation and decision on variation are taken by a negotiation panel (comprising of at least 3 officers, one of whom to be from Finance) designated and validated by the General Manager/Board

depending on case-to-case basis. The outcome of any negotiation on variations is brought to the Board after being analysed by the Finance Committee;

- (vi) Quantities are monitored closely even those certified and recommended by Consultant or Resident Engineer in order to avoid any possible collusion and to deter malpractices.

### **Project Review and Assurance Process**

A project review process has been maintained to ensure value for money. An independent team not involved in the project reviews independently the project and its findings are brainstormed with Management Team to ensure value for money.

### **Minor Works Under Road Maintenance Project**

The procurement procedure was maintained to outsource minor works and vegetation control which were normally undertaken by major contractors under Road Maintenance Framework Agreement to small contractors/SME's region wise. Additionally, the NECA has maintained its team work with the RDA to further maintain the motorways.

### **Investigative Committee**

In line with the recommendation of the Independent Investigative Committee, with regards to further action in the case of road failure at Ripailles (Terre Rouge Verdun Project), the RDA under the guidance of the Attorney General Office (AGO), served a "Mise- en- Demeure" against both the Contractor and the Consultant for the recovery of cost borne for the repairs.

While the contractor has rejected the claim put by RDA, the reply from the Consultant was still being awaited.

As at 30<sup>th</sup> June 2024, the RDA was still pursuing discussions with the AGO to explore avenues in view of recouping the cost borne for the repairs of the failed portion.

### **Anti-Corruption Committee**

Anti-corruption matters at the RDA are being dealt with the Anti-Corruption Committee recently set up by the Board. The responsibilities of this Committee are to:

- Review RDA's systems and controls for the prevention of bribery.
- Review significant cases of employee conflicts of interest, misconduct or fraud, or any other unethical activities by employees of the Organisation.
- Review Corruption Risk Management exercises which are to be carried out by dedicated teams within various sections of the Organisation.

During the preceded years, the RDA, among only the few parastatal bodies, successfully conducted 2 Corruption Risk Assessment (CRAs). The Authority has pursued the implementation of the recommendations mentioned in the 2 CRA's while monitoring same through regular meetings of the Anti-Corruption Committee

### Performance Review Committee

In line with the Directives of the PPO, the Authority has set up a performance review committee which aims at assessing the performance of the contractors and suppliers dealing with the RDA. This committee meets on bi-monthly basis to monitor the output of poor and poor performing contractors and makes appropriate recommendations including sanctions against them to the Board through the General Manager.

## Reporting with Integrity

### Submission of Annual Report

The Annual Report for Financial Year ending 30 June 2024, incorporating the Financial Statement of the Road Development Authority, is prepared in accordance to International Public Sector Accounting Standards (IPSAS) and submitted to the National Audit Office (NAO) within the prescribed submission date after duly approved by the Board. After the Annual report is audited by the National Audit Office, it is posted in the website of RDA. Copies of the audited report are submitted to the Parent Ministry for tabling at the National Assembly and filed/tabled with all the relevant authorities as per statutory requirements.

Following audit of the Annual Report for the financial period financial year 2022-2023, the Director of Audit, in its report dated 23rd April 2024, communicated the following main findings:

- Financial Statements gave a fair view of the financial position of RDA as at 30th June 2023;
- The financial performance and cash flows were in accordance with the International Public Sector Accounting Standards;
- Compliance with the statutory bodies (Accounts and Audited) Act in so far it related to the accounts;
- The expenditure incurred by RDA was not of an extravagant or wasteful nature;
- The Board has applied its resources and carried out its operations fairly and economically and the provisions of Part V of the PPA 2006 were complied with.

### Integrated Sustainability Reporting

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

### Anti-Corruption Policy

With a view to preventing fraud and corruption at the RDA and to ensuring Good Corporate Governance practices, the Board has maintained various control mechanisms. This is monitored by and reported at the Risk Monitoring Committee. The RDA has also adopted policies and procedures in relation to anti-corruption, gift, conflict of interest which are applicable at all levels from Board Members to minor grades.

### Environmental Issues

Sustainable development and environmental issues are taken into consideration in the design and implementation of project. Moreover, the RDA is committed to the greening of roads and maintenance thereof in collaboration with public and private partners. Besides, the Authority is engaged in the adoption of sustainable initiatives in road construction.

## Safety and Health

The RDA has complied with the Occupational Safety & Health (OSH) Act and other regulations and legislations regarding safety and health issues. Policies and procedures have been established and updated in this respect for continual improvement. An OSH management system is implemented for systematically and periodically assess risks, devise and implement control measures to eliminate and minimize risks assuring for the safety & health of employees. The RDA Safety & Health Committee established as per the OSHA, as an essential component of the OSH Management System meets on a regular basis to oversee OSH matters throughout the Authority.

## Social issues

With a view to promoting the exchange of information, undertaking research RDA has provided training facilities to trainees as a corporate social action, it has enlisted a number of young graduates under Youth Employment Programme and Trainee Engineers to provide them with skills, competence and opportunities for registration.

Additionally, the Authority organised blood donation activities in collaboration with the Ministry of Health & Wellness. RDA staff participated actively in the blood donation campaign.

## Code of Ethics

The RDA is committed to the highest standards of integrity and ethical conduct in dealing with all its stakeholders and Staff at all levels. To this effect a code of ethics has been developed and circulated among staff. Adequate grievances and disciplinary procedures are in place to enable enforcement of the Code of Ethics.

## Political Donations

During the period under review, no political donations were made.

## Charitable Donations

During the period under review, no charitable donations were made.

## Related Party Transactions

The particulars in respect of Related Party Transactions have been disclosed in the Financial Statements.

## Audit

The Board should establish formal and transparent arrangements to appoint and maintain an appropriate relationship with the organization's internal and external auditors.

### Internal Control System

The Board is primarily responsible for the effectiveness and efficiency of the system of internal control, while the design, implementation and monitoring of the system devolves on management. Each unit in the organization has its own internal control procedures and mechanism to ensure that operations are carried out accordingly and the Internal Audit Unit is present to ascertain those rules and regulations are followed and adhered to. Any breach of internal control mechanism set up by Management or any unethical/irregular reported to Management and ultimately to the Board through the Risk Monitoring Committee.

### Internal Audit

The Internal Audit function is considered vital to the Authority and plays an independent assurance and monitoring role, providing independent opinion on the effectiveness or otherwise of the system of Internal Control. The Internal Audit Unit at the Road Development Authority which is under the responsibility of the Internal Audit, assists both Management and the Board by monitoring, examining, evaluating, reporting on and recommending improvement to the adequacy and effectiveness of the Authority risk management processes, derives assurance that the risk management process are in place and effective. Regular reports from the Internal Audit Division are sent to the Risk Monitoring Committee and to the Board.

### Accounting

The Board is responsible for the preparation of accounts which fairly presents the state of affairs of the Authority and the results of its

operations and which had to be complied with International Public Sector Accounting Standards. In this context, the Board is responsible for adequate accounting records, maintenance of an effective system of internal control, and choice of accounting policies supported by reasonable prudent judgement.

### External Audit

The RDA Act provides that the Auditor to be appointed shall be the Director of Audit. This ensures the independency of the system. Every year the National Audit Office sends officers to carry out Audit and Financial Statement of the RDA and to report thereon. All weaknesses and their findings are reported to Management through a Report. The External Auditor's Report is reviewed by the Internal Auditor and presented in the Risk Monitoring Committee.

The External Auditor's Report together with the recommendations of the Risk Monitoring Committee are presented to the Board.

## Relations with Stakeholders

Several mechanisms have been established through which shareholders and stakeholders are consulted and met directly and indirectly for achieving its objectives. Regular meetings and consultations are held with the Parent Ministry for all matters pertaining to RDA activities. The Public and other stake holders are also consulted in the project planning and implementation processes in view of embarking on the best way forward.

### Customers

The RDA views road user satisfaction as one of its most important functions through the provision of high-quality roads and effectively maintaining the road riding standard and safety. Additionally, RDA addresses all complaints received through the CSU, its head office and the regional offices. The RDA ensures that its staff members and representatives possess the necessary skills, experience, and knowledge to serve the public better with transparent advice and timely service delivery in line with relevant legislation, rules, codes, and guidelines.

### Suppliers

The Authority ensures that value for money services and goods are rendered to the RDA in an efficient way while engaging with suppliers on ethical commitments.

# STATEMENT OF DIRECTOR'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors of the Authority are responsible for the preparation and fair presentation of the financial statements in accordance with International Accounting Public Sector Accounting Standards and in compliance with the requirements of prevailing statutes.

## Responsibilities of the Board of Directors

The fundamental statutory responsibilities of the Board of Directors are to lay down the overall policies regulating the various business/activities of the Authority; it oversees the Authority's strategic direction and its organisational structure. The Board discharges the above responsibilities either directly or through Board Committees for more in-depth analysis and review of various issues while retaining its responsibility for all policy matters. The Chairman of each Committee periodically places reports of its proceedings before the Board for approval/information, as may be relevant.

The Board promotes openness, integrity, and accountability to improve corporate behaviour, strengthens control systems over business and reviews management performance on a regular basis. In addition, the Board is committed to ensure as far as reasonably possible, and in accordance with legislation in force, the safety and welfare of its staff. To fulfil their responsibilities, Board members have access to accurate and relevant information periodically and as & when required.



**L. J. Y. J Patron**  
**Chairman**



**Board Member**



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REPORT OF THE  
**DIRECTOR OF AUDIT**

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**On the Financial Statements  
of the Road Development Authority  
for the year ended 30 June 2024**

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**NATIONAL AUDIT OFFICE**

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Republic of Mauritius

# NATIONAL AUDIT OFFICE

## REPORT OF THE DIRECTOR OF AUDIT

### TO THE BOARD OF THE

### ROAD DEVELOPMENT AUTHORITY

#### Report on the Audit of the Financial Statements

#### Opinion

I have audited the financial statements of the Road Development Authority, which comprise the statement of financial position as at 30 June 2024 and the statement of financial performance, statement of changes in net assets/equity, cash flow statement and statement of comparison of budgeted and actual amounts for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the Road Development Authority as at 30 June 2024, and of its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

#### Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report. I am independent of the Road Development Authority in accordance with the INTOSAI Code of Ethics, together with the ethical requirements that are relevant to my audit of the financial statements in Mauritius, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Key Audit Matters

Key Audit Matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have determined that there are no key audit matters to communicate in my report.

#### Emphasis of Matter

I draw attention to the accumulated deficit in the financial statements, which increased from some Rs 476 million as at 30 June 2023 to Rs 550.8 million as at 30 June 2024 mainly due to a deficit of Rs 28.5 million during the financial year 2023-24 and a shortfall of Rs 46.9 million following remeasurement of retirement benefit obligation at the end of the financial year.

## **Other Information**

Management is responsible for the other information. The other information comprises the information included in the annual report of the Road Development Authority, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IPSASs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Road Development Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Road Development Authority's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Road Development Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Road Development Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Road Development Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or, when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on Other Legal and Regulatory Requirements**

### **Opinion**

#### ***Statutory Bodies (Accounts and Audit) Act***

I have obtained all information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.

In accordance with the requirements of the Statutory Bodies (Accounts and Audit) Act, I report as follows:

- (a) this Act in so far as it relates to the accounts, has been complied with. No direction relating to the accounts has been issued by the responsible Minister to the Road Development Authority;

- (b) in my opinion, and, as far as could be ascertained from my examination of the financial statements submitted to me, expenditure incurred were not of an extravagant or wasteful nature, judged by normal commercial practice and prudence; and
- (c) in my opinion, the Road Development Authority has been applying its resources and carrying out its operations economically, efficiently and effectively.

#### ***Public Procurement Act***

In accordance with the requirement of the Public Procurement Act, the auditor of every public body shall state in his annual report whether the provisions of Part V of the Act have been complied with.

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

#### ***Financial Reporting Act***

My responsibility under the Financial Reporting Act is to report on compliance with the Code of Corporate Governance disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the Road Development Authority has, pursuant to section 75 of the Financial Reporting Act, complied with the requirements of the Code.

#### **Basis for Opinion**

I performed procedures, including the assessment of the risks of non-compliance with laws and regulations, to obtain audit evidence to discharge my responsibilities as described in the 'Auditor's Responsibilities' section of my report as referred to below. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### ***Management's Responsibilities for Compliance***

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible to ensure that the Road Development Authority's operations are conducted in accordance with the provisions of laws and regulations, including compliance with the provisions of laws and regulations that determine the reported amounts and disclosures in the entity's financial statements.

#### ***Auditor's Responsibilities***

In addition to the responsibility to express an opinion on the financial statements described above, I am also responsible to report to the Board whether:

- (a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of the audit;
- (b) the Statutory Bodies (Accounts and Audit) Act and any directions of the Minister, in so far as they relate to the accounts, have been complied with;

- (c) in my opinion, and, as far as could be ascertained from my examination of the financial statements submitted to me, any expenditure incurred was of an extravagant or wasteful nature, judged by normal commercial practice and prudence;
- (d) in my opinion, the Road Development Authority has been applying its resources and carrying out its operations economically, efficiently and effectively;
- (e) the provisions of Part V of the Public Procurement Act regarding the bidding process have been complied with; and
- (f) the Road Development Authority has complied with the National Code of Corporate Governance in accordance with the Financial Reporting Act.



**DR D. PALIGADU**  
Director of Audit

National Audit Office  
14<sup>th</sup> Floor  
Air Mauritius Centre  
**PORT LOUIS**

26 May 2025

**FINANCIAL  
STATEMENTS  
for  
Financial Year  
2023-2024**

# ROAD DEVELOPMENT AUTHORITY

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Notes	2024		2023 (Restated)
		MUR	MUR	MUR MUR
<b>ASSETS</b>				
<b><u>Current assets</u></b>				
Cash and cash equivalents	6	33,523,732		32,854,081
Trade and other receivables	7	688,981,444		189,139,626
Inventories	8	9,630,313		8,395,928
Held to maturity investment	9	14,853,383		34,695,981
<b>Total current assets</b>			746,988,872	265,085,616
<b><u>Non-current assets</u></b>				
Car loan receivable	10	3,531,323		1,849,852
Property ,plant and equipment	11	39,697,937		38,444,349
Right of Use Asset	12	20,015,548		-
Intangible assets	13	203,090		235,934
<b>Total non current assets</b>			63,447,898	40,530,135
<b>TOTAL ASSETS</b>			810,436,770	305,615,751
<b>LIABILITIES</b>				
<b><u>Current Liabilities</u></b>				
Trade and other payables	14	718,167,067		218,885,573
Employees Benefit Obligations	15	11,800,000		15,400,000
Lease Liability	16	13,244,698		-
<b>Total current liabilities</b>			743,211,765	234,285,573
<b><u>Non-current liabilities</u></b>				
Retirement Benefit Obligations	17	499,760,667		446,130,940
Employees Benefit Obligations	18	107,962,563		99,353,160
Car loan payable	19	3,531,323		1,849,852
Lease Liability	16	6,770,850		-
<b>Total non-current liabilities</b>			618,025,403	547,333,952
<b>TOTAL LIABILITIES</b>			1,361,237,168	781,619,525
<b>NET ASSETS</b>			(550,800,398)	(476,003,774)
<b>NET ASSETS/EQUITY</b>				
<b><u>Capital Contributed</u></b>				
Accumulated Deficit	20		(550,800,398)	(476,003,774)
<b>TOTAL NET ASSETS/EQUITY</b>			(550,800,398)	(476,003,774)

These Financial Statements were approved by the RDA Board on 7th May 2025

  
CHAIRMAN

  
BOARD MEMBER

  
GENERAL MANAGER

The notes to the Financial Statements from pages 55 to 89 form an integral part of the Financial Statements

**ROAD DEVELOPMENT AUTHORITY**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

	Notes	<u>2024</u> MUR	<u>2023</u> (Restated) MUR
<b>REVENUE</b>			
<b><u>Non exchange transactions</u></b>			
Transfer of Funds	21	4,073,797,639	3,476,698,186
Grants for Financing of Recurrent Expenditures	22	189,715,072	190,434,823
Contribution from State Trading Corporation	23	109,558,752	103,413,471
Contribution to RDA Pension Fund	24	18,000,000	17,533,540
Grant for financing of Capital Expenditure	25	5,713,881	4,416,129
		<u>4,396,785,344</u>	<u>3,792,496,149</u>
<b>OTHER INCOME</b>			
<b><u>Exchange transactions</u></b>			
Laboratory Fees		2,295,825	3,060,060
Investment Income		821,202	611,118
Income from Road Accident		2,097,452	2,268,115
Other Miscellaneous Income	26	1,215,167	506,359
		<u>6,429,646</u>	<u>6,445,652</u>
<b>TOTAL REVENUE</b>		<u><u>4,403,214,990</u></u>	<u><u>3,798,941,801</u></u>
<b>EXPENDITURE</b>			
<b><u>Expenditure on Road Projects</u></b>			
Expenditure for RDA Road Projects	27	(2,929,185,885)	(2,888,001,496)
Expenditure for Road Projects out of National Environment and Climate Change Fund (NECCF)	28	(205,992,071)	(194,540,522)
Expenditure for Road Projects out of Projects Development Fund (PDF)	29	(938,619,683)	(394,156,168)
		<u>(4,073,797,639)</u>	<u>(3,476,698,186)</u>
<b><u>Other Expenditure</u></b>			
Staff Cost	30	(290,026,910)	(256,361,259)
Depreciation and Amortisation	31	(7,606,217)	(6,944,124)
Tools and materials	32	(21,435,803)	(35,549,445)
Motor vehicle expenses	33	(8,531,859)	(6,994,084)
Rent	34	(179,399)	(193,800)
Amortisation of Right of Use Asset	35	(13,893,849)	(8,662,486)
Finance Cost on Lease Liability	36	(1,004,304)	(1,328,847)
Other administrative expenses	37	(15,181,469)	(13,787,359)
Finance costs	38	(73,023)	(68,267)
		<u>(357,932,833)</u>	<u>(329,889,671)</u>
<b>TOTAL EXPENDITURE</b>		<u><u>(4,431,730,472)</u></u>	<u><u>(3,806,587,857)</u></u>
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>		<u><u>(28,515,482)</u></u>	<u><u>(7,646,056)</u></u>

The notes to the Financial Statements form an integral part of the Financial Statements

## ROAD DEVELOPMENT AUTHORITY

### STATEMENT OF CHANGES IN NET ASSETS / EQUITY FOR FINANCIAL YEAR ENDED 30 JUNE 2024

	2023 (Restated)	
	Accumulated Funds	Total
	MUR	MUR
Balance as at 01 July 2022	(419,841,036)	(419,841,036)
<u>Adjustments for financial year 2022/2023:</u>		
Actuarial gain / (loss) on Defined Benefit Plan	(48,516,682)	(48,516,682)
Deficit for the Financial Year 2022/2023	(7,646,056)	(7,646,056)
<u>Adjustments for prior year adjustments</u>		
Interest on Lease Liability for period 10 Jan 2023 to 30 Jun 2023	(68,461)	(68,461)
Rental expenses for period 10 Jan 2023 to 30 Jun 2023 accounted against Lease Liability	1,488,285	1,488,285
Amortisation of Right of Use Asset for period 10 Jan 2023 to 30 Jun 2023	(1,419,824)	(1,419,824)
<b>Balance as at 30 June 2023 (Restated)</b>	<b>(476,003,774)</b>	<b>(476,003,774)</b>

	2024	
	Accumulated Funds	Total
	MUR	MUR
Balance as at 01 July 2023 (Restated)	(476,003,774)	(476,003,774)
<u>Adjustments for financial year 2023/2024:</u>		
Prior Year Rental expenses for period 10 Jan 2023 to 30 Jun 2023 paid in Current year	(1,488,285)	(1,488,285)
Actuarial gain / (loss) on Defined Benefit Plan	(46,868,577)	(46,868,577)
Actuarial reserves transferred in	2,075,720	2,075,720
Deficit for the Year	(28,515,482)	(28,515,482)
<b>Balance as at 30 June 2024</b>	<b>(550,800,398)</b>	<b>(550,800,398)</b>

The notes to the Financial Statements form an integral part of the Financial Statements

## ROAD DEVELOPMENT AUTHORITY

### Cash Flow Statement

for the financial year ended 30 June 2024

	1 July 2023 to 30 June 2024 MUR	1 July 2022 to 30 June 2023 (Restated) MUR
<b>Cash Flows from Operating activities</b>		
<b>Deficit for the year</b>	(28,515,482)	(7,646,056)
<b>Adjustments for:</b>		
Depreciation and Amortisation	7,606,217	6,944,124
Retirement Benefit Obligations	8,836,870	1,593,240
Provision for Passage Benefit	5,765,194	4,975,523
Provision for Vacation Leave	4,611,824	3,636,771
Provision for Sick Leave	6,461,116	8,746,879
Interest Income for Investment in Treasury Bills	(821,202)	(611,118)
Interest on Lease Liability	1,004,304	1,328,847
Amortisation of Right of Use Asset	14,740,259	8,662,487
(Profit) / Loss on disposal of PPE / Intangible Asset		(116,350)
Finance Costs	<u>73,023</u>	<u>68,267</u>
	19,762,123	27,582,614
Change in Inventories	(1,234,385)	1,891,891
Change in Trade and other receivables	(499,641,818)	27,915,536
Change in Trade and other payables	499,081,494	(44,370,032)
<b>Net Cash flows from Operating activities</b>	<u><b>17,967,414</b></u>	<u><b>13,020,009</b></u>
<b>Cash flows from Investing activities</b>		
Purchase of Property, Plant and Equipment	(8,746,461)	(12,368,271)
Additions to Intangible Assets	(80,500)	(75,555)
Proceeds from Disposal of Property, Plant and Equipment		116,350
Investment in Government Treasury Bills	(39,336,200)	(34,141,450)
Encashment of Investment in Treasury Bills	58,694,700	24,796,750
Investment income received	1,305,300	203,250
Loan released to staff	(3,645,000)	-
Loan refunded by staff	<u>1,763,529</u>	<u>1,363,485</u>
<b>Net Cash flows from Investing activities</b>	<u><b>9,955,368</b></u>	<u><b>(20,105,441)</b></u>
<b>Cash flows from financing activities</b>		
Passage Benefit paid	(5,300,863)	(5,972,886)
Vacation Leave paid	(527,855)	(1,929,447)
Sick Leave paid	(6,000,013)	(7,367,039)
Payment of Lease Liability	(17,232,848)	(9,991,334)
Interest / Bank charges paid	(73,023)	(68,267)
Car loan received from Ministry of National Infrastructure & Community Development	3,645,000	-
Car loan disbursed/repaid to Ministry of National Infrastructure & Community Development	<u>(1,763,529)</u>	<u>(1,363,485)</u>
<b>Net Cash flows from financing activities</b>	<u><b>(27,253,131)</b></u>	<u><b>(26,692,458)</b></u>
<b>Net (decrease) / increase in cash and cash equivalents</b>	669,651	(33,777,890)
<b>Cash and cash equivalents at beginning of year</b>	<u>32,854,081</u>	<u>66,631,971</u>
<b>Cash and cash equivalents at end of year</b>	<u><b>33,523,732</b></u>	<u><b>32,854,081</b></u>

#### Notes to the Cash Flow Statement

##### (a) Cash and Cash Equivalents

Cash and Cash Equivalents consist of cash in hand balances with bank. Cash and Cash Equivalents included in the Cash Flow Statement comprise the following Statement of Financial Position amounts :

	2024 MUR	2023 MUR
Cash at Bank	(433,319,433)	(110,642,969)
Savings Account	<u>466,843,165</u>	<u>143,497,050</u>
	<u><b>33,523,732</b></u>	<u><b>32,854,081</b></u>

##### (b) Held to maturity investment

The held to maturity investment consist of one investment in Government Treasury Bills of settlement amount of Rs 14,782,950 with the SBM Bank (Mauritius) Ltd held in Mauritian Rupees. The value date of the investment was 13 May 2024 with a maturity date of 11 October 2024 and yield of 3.55% per annum. On maturity, the nominal amount of Rs 15,000,000 will be paid to the RDA.

The notes to the Financial Statements form an integral part of the Financial Statements

# ROAD DEVELOPMENT AUTHORITY

## Statement of Comparison of Budgeted and Actual Amounts for the Financial Year ended 30 June 2024

Comparison of Budgeted and Actual Figures for the Financial Year ended 31st Dec 2021					Variance -	Variance -	
Component	Note	Original Budget	Revised Budget	Actual Received	Revised and Original Budget	Revised and Actual Budget	Financial Statement
		MUR	MUR	MUR	MUR	MUR	MUR
REVENUE							
Transfer of Funds - Grants for RDA Road Projects	19	2,267,700,000	2,756,790,000	2,555,380,201	489,090,000	(201,409,799)	2,929,185,885
Transfer of Funds - Grants for Road Projects out of National Environment and Climate Change Fund (NECCF)	20	152,000,000	181,410,000	157,585,974	29,410,000	(23,824,026)	205,992,071
Transfer of Funds - Grants for Road Projects out of Covid-19 Fund	21	883,730,000	964,130,000	870,627,472	80,400,000	(93,502,528)	938,619,683
Government Grant for Financing of Recurrent Expenditures	22	159,031,942	159,000,000	159,000,000	(31,942)	-	167,642,079
Government Grant (Additional Grant for Recurrent Expenditure)		-	23,969,240	8,640,604	23,969,240	(15,328,636)	-
Government Grant for Financing of Tools & Materials	22	20,000,000	20,000,000	22,072,993	-	2,072,993	22,072,993
Contribution from State Trading Corporation	23	103,000,000	107,650,000	107,654,286	4,650,000	4,286	109,558,752
Contribution to RDA Pension Fund		-	-	-	-	-	18,000,000
Government Grant for Financing of Other Plant & Machinery	24	8,200,000	8,100,000	6,517,041	(100,000)	(1,582,959)	5,713,881
Government Grant for Financing of Intangible Fixed Assets (E-Document Management System)	24	4,600,000	-	-	(4,600,000)	-	-
Government Grant for Financing of Intangible Fixed Assets (Computerisation Project of RDA)	24	3,000,000	700,000	681,720	(2,300,000)	(18,280)	-
Government Grant for Financing of Upgrading of Sub Office Building	24	7,000,000	-	-	(7,000,000)	-	-
Upgrading of Sub Office Building financed by RDA (Bank Balance)		7,500,000	2,500,000	-	(5,000,000)	(2,500,000)	-
Government Grant for Financing of Acquisition of Motor Vehicles	24	6,000,000	6,000,000	5,252,310	-	(747,690)	-
		3,621,761,942	4,230,249,240	3,893,412,601	608,487,298	(336,836,639)	4,396,785,344
Laboratory fees		4,600,000	1,540,000	811,155	(3,060,000)	(728,845)	2,295,825
Investment Income		800,000	1,310,000	1,305,300	510,000	(4,700)	821,202
Income for damage caused to Road Infrastructures	25	3,500,000	1,190,000	1,288,577	(2,310,000)	98,577	2,097,452
Other Income	25	2,600,000	790,000	787,302	(1,810,000)	(2,698)	1,215,167
TOTAL REVENUE		3,633,261,942	4,235,079,240	3,897,604,935	601,817,298	(337,474,305)	4,403,214,990

**ROADDEVELOPMENT AUTHORITY**

**Statement of Comparison of Budgeted and Actual Amounts for the Financial Year ended 30 June 2024**

					Variance - Revised and	Variance - Revised and	Financial
Expenditure	Note	Original Budget MUR	Revised Budget MUR	Actual Paid MUR	Original Budget MUR	Actual Budget MUR	Statement MUR
Expenditure on RDA Road Construction and Maintenance	26	2,267,700,000	2,756,790,000	2,555,636,898	(489,090,000)	201,153,102	2,929,185,885
Expenditure on Road Construction-National Environment and Climate	27	152,000,000	181,410,000	157,585,974	(29,410,000)	23,824,026	205,992,071
Expenditure on Road Construction-Covid-19 Fund	28	883,730,000	964,130,000	870,637,411	(80,400,000)	93,492,589	938,619,683
Expenditure on Tools & Materials	31	20,000,000	20,000,000	22,072,993	-	(2,072,993)	21,417,859
TOTAL EXPENDITURE ON ROAD CONSTRUCTION AND MAINTENANCE		3,323,430,000	3,922,330,000	3,605,933,276	(598,900,000)	316,396,724	4,095,215,498
Staff Cost	29	239,533,542	252,033,480	255,657,401	(12,499,938)	(3,623,921)	288,910,872
Repairs & Maintenance Building	34	760,000	650,520	606,433	109,480	44,087	587,750
Repairs & Maintenance Office Equipment	34	2,002,000	1,646,315	1,492,544	355,685	153,771	1,443,484
Repairs Plant & Machinery	34	520,000	471,500	336,112	48,500	135,388	338,945
Maintenance Premises	34	845,000	600,000	719,261	245,000	(119,261)	713,080
Books & Periodicals	34	10,000	3,000	2,500	7,000	500	2,500
Motor Vehicle expenses	32	5,742,200	7,500,000	8,207,031	(1,757,800)	(707,031)	8,531,859
Advertising	34	360,000	2,300,000	2,219,500	(1,940,000)	80,500	2,236,750
Printing	34	150,000	260,700	286,869	(110,700)	(26,169)	302,715
Postage	34	151,100	150,000	160,444	1,100	(10,444)	158,284
Stationery	34	1,200,000	1,800,000	1,532,018	(600,000)	267,982	952,767
Magazines Newspaper	34	23,000	2,000	50	21,000	1,950	50
Professional /Legal Fees	34	500,000	415,000	317,380	85,000	97,620	317,380
Audit Fees	34	500,000	500,000	500,000	-	-	500,000
Rent	33	10,865,600	16,110,100	17,398,448	(5,244,500)	(1,288,348)	179,399
Electricity	34	1,180,000	1,600,000	1,825,070	(420,000)	(225,070)	1,738,053
Gas	34	1,000	500	240	500	260	240
Water	34	54,000	54,000	48,523	-	5,477	50,245
Telephone	34	1,890,000	2,048,825	2,151,821	(158,825)	(102,996)	2,157,799
Insurance & Indemnity	34	700,000	525,000	486,319	175,000	38,681	488,290
Overseas Travelling	34	550,000	525,000	476,373	25,000	48,627	476,373
Conference Committees	34	1,500,000	1,810,000	1,791,890	(310,000)	18,110	1,635,565
Miscellaneous Expenses	34	164,000	375,000	298,391	(211,000)	76,609	298,391
Staff Welfare	29	1,046,000	990,000	923,571	56,000	66,429	933,196
Staff Training	29	300,000	125,000	186,000	175,000	(61,000)	182,842
Bank Charges	35	100,000	80,300	73,023	19,700	7,277	73,023
Tools & Equipment	31	20,000	18,000	17,944	2,000	56	17,944
Road accidents written off	34	-	-	-	-	-	596,793
Contribution to International Organisation	34	200,000	190,000	186,226	10,000	3,774	186,015
Interest Expense on Lease Liability		-	-	-	-	-	1,004,304
TOTAL ADMINISTRATIVE EXPENDITURE		270,867,442	292,784,240	297,901,382	(21,916,798)	(5,117,142)	315,014,908

**ROAD DEVELOPMENT AUTHORITY**

**Statement of Comparison of Budgeted and Actual Amounts for the Financial Year ended 30 June 2024**

	Note	Original Budget	Revised Budget	Actual Paid	Variance - Revised and Original Budget	Variance - Revised and Actual Budget	Financial Statement
		MUR	MUR	MUR	MUR	MUR	MUR
Depreciation and Amortisation	30						7,606,217
Amortisation of Right of Use Asset							13,893,849
<b>TOTAL RECURRENT EXPENDITURE</b>		<b>3,594,297,442</b>	<b>4,215,114,240</b>	<b>3,903,834,658</b>	<b>(620,816,798)</b>	<b>311,279,582</b>	<b>4,431,730,472</b>
<b>CAPITAL EXPENDITURE</b>							
Office Furniture	11	489,500	489,500	280,507	-	208,993	280,507
Office Equipment	11	1,020,000	1,020,000	1,176,965	-	(156,965)	1,176,965
Computers	11	1,075,000	1,075,000	328,406	-	746,594	328,406
Software Computers	12	80,000	80,500	80,500	(500)	-	762,220
Upgrading of Office Buildings	11	14,500,000	2,500,000	1,691,211	12,000,000	808,789	1,691,211
Acquisition of Vehicles	11	6,000,000	6,000,000	5,252,310	-	747,690	5,252,310
Intangible Fixed Assets (E-Document Management System)	11	4,600,000	-	-	4,600,000	-	-
Intangible Fixed Assets (Computerisation Project of RDA)	11	3,000,000	700,000	681,720	2,300,000	18,280	681,720
Acquisition of Other Machinery and Equipment	11	8,200,000	8,100,000	6,517,041	100,000	1,582,959	6,517,041
<b>TOTAL CAPITAL EXPENDITURE</b>		<b>38,964,500</b>	<b>19,965,000</b>	<b>16,008,660</b>	<b>18,999,500</b>	<b>3,956,340</b>	<b>16,690,380</b>
<b>TOTAL EXPENDITURE</b>		<b>3,633,261,942</b>	<b>4,235,079,240</b>	<b>3,919,843,318</b>	<b>(601,817,298)</b>	<b>315,235,922</b>	<b>4,448,420,852</b>

## ROAD DEVELOPMENT AUTHORITY

Statement showing reconciliation of Actual Cash Flows with Financial Statements for the financial year ended 30 June 2024

REVENUE	MUR
Actual Revenue as per Statement of Comparison	3,897,604,935
Adjustment for Opening Receivables FY 23/24 - Non Exchange Transactions	(169,979,145)
Adjustment for Opening Receivables FY 23/24 - Exchange Transactions	(15,468,965)
Adjustment for Closing Receivables FY 23/24 - Non Exchange Transactions	662,089,078
Adjustment for Closing Receivables FY 23/24 - Exchange Transactions	15,953,743
Other Adjustments	13,015,344
<b>Revenue as per Statement of Financial Performance</b>	<b><u><u>4,403,214,990</u></u></b>

EXPENDITURE	MUR
Actual Expenditure as per Statement of Comparison	3,919,843,318
Adjustment for Opening Accruals FY 23/24	(157,839,375)
Adjustment for Closing Accruals FY 23/24	648,774,233
Adjustment for Opening Prepayments FY 23/24	1,599,065
Adjustment for Closing Prepayments FY 23/24	(8,757,872)
Other Adjustments	21,993,170
Non Cash Items Adjustments	6,117,933
<b>Expenditure as per Statement of Financial Performance</b>	<b><u><u>4,431,730,472</u></u></b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

### 1. REPORTING ENTITY AND BUSINESS ACTIVITY

The Road Development Authority (RDA), a body corporate established by Act No. 6 of 1998, operates under the aegis of the Ministry of National Infrastructure and Community Development. Its registered office is situated at 8<sup>th</sup> Floor, Blue Tower, Rue De L'Institut, Ebene, Postcode 80817.

RDA is also a representative on the Morcellement Board, EIA Committee, wherein recommendations in regard to access on classified roads and Motorways are given.

The mission of the RDA is to provide a cost efficient mobility in comfort and safety for the Mauritian population and its economic operators to all parts of the island, by developing, preserving and maintaining a high standard classified road network through the judicious use of human, material, financial and technological resources.

The RDA is responsible for the construction, care, maintenance and improvement of motorways and main roads.

The duties and functions of the RDA are:

- To plan, design and supervise the construction of roads intended to be classified as motorways and main roads;
- To carry out or cause to be carried out the upgrading of motorways and main roads and their routine and periodic maintenance;
- To maintain existing bridges, tunnels and associated works on motorways and main roads;
- To plan, design and supervise the construction and reconstruction of bridges, tunnels and associated works on motorways and main roads;
- To advise the Minister on the formulation of a road development policy;
- To advise the Minister on the management policy of roads;
- To prepare and implement road development schemes;
- To conduct and coordinate research and investigation on materials required for road construction;
- To control the display of advertisements along or visible from motorways and main roads;

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

### 2. BASIS OF PREPARATION

#### (a) Statement of Compliance

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) issued by International Public Sector Accounting Standards Board (IPSASB).

#### (b) Going Concern

The financial statements have been prepared on a going-concern basis. The RDA will continue to be in operational existence in the foreseeable future on the basis that government will continue to support the RDA in form of grant and that the RDA will continue to receive contribution collected by the State Trading Corporation in respect of Road Tax on fuel.

#### (c) Use of estimates and assumptions

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

In the application of the RDA 's accounting policies which have been described in Note 4, Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the estimate affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Estimates include, but are not limited to fair valuation of inventories, accounts receivables and accrued charges.

One of the key assumptions and estimation concerning the future at the reporting date is the Retirement Benefit Obligation. This requires the use of actuarial calculations or other assumptions that include significant estimates in respect of, inter alia, the expected return on plan assets, future salary increases and future pension increases. These significant estimates are assessed annually by management with the actuaries where applicable. Differences between actual and estimates are recorded as actuarial gains or losses.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

### **(d) Reporting date**

The Financial Statements has been prepared for the year 01 July 2023 to 30 June 2024.

Comparative audited figures relate to the period 01 July 2022 to 30 June 2023.

### **(e) Functional and Presentation of Currency**

The Financial Statements are presented in Mauritian Rupees expressed as either "Rs" or "MUR". Rounding has been made where applicable to the nearest Mauritian Rupee.

### **(f) Budget Information**

The Budget is prepared on cash basis, classified by nature of expenses, and covers the Financial Year 1 July 2023 to 30 June 2024.

### **(g) Cash Flow Statement**

The indirect method has been used as basis in the preparation of Cash Flow Statement. The Cash and Cash Equivalent at the beginning of year has been reconciled to the balance at end of year using the direct method which has been disclosed as a note under Cash and Cash Equivalents.

### **(h) Measurement Base**

The accounting principles recognised as appropriate for the measurement and reporting of the Financial Performance, Financial Position on an accrual basis using historical cost are followed in the preparation of the Financial Statements. The Cash Flow has been reported on Cash Basis.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

### 3. ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

At the date of preparation of these Financial Statements, the following standards, amendments to existing standards and interpretations were in issue but not yet effective. They are mandatory for accounting periods beginning on the specified dates, but the RDA has not early adopted them except for IPSAS 43 – Leases which has been early adopted.

#### *New or revised standards, amendments and interpretations:*

IPSAS	Pronouncement	Effective date of amendments
IPSAS 43	Leases	01 January 2025
IPSAS 44	Non-current Assets Held for Sales and Discontinued Operations	01 January 2025
IPSAS 45	Property, Plant and Equipment	01 January 2025
IPSAS 46	Measurement	01 January 2025
IPSAS 47	Revenue	01 January 2026
IPSAS 48	Transfer Expenses	01 January 2026
IPSAS 49	Retirement Benefit Plans	01 January 2026

These new standards, amendments and interpretations are either not relevant to RDA's operations or are not expected to have a material effect on the accounting policies and disclosures.

### 4. ACCOUNTING POLICIES

The following specific accounting policies that materially affect the measurement of financial performance and the financial position are applied:-

#### 4.1 Revenue recognition

Revenue recognitions are based on exchange and non-exchange transactions and recognized on an accrual basis.

##### Exchange Transactions- *IPSAS 9-Revenue from Exchange Transactions*

Revenue under exchange transaction are those arising from rendering of services, the sales of goods or the use by others of the RDA assets. Revenue is recognised to the extent that it is probable that the economic benefit or service potential associated with transactions will flow to the RDA and that the revenue can be reliably measured.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

It includes among others Laboratory fees, Sub Division of land, Income from Accident, Tender fees and Investment Income.

All Accident claims dated more than 10 years has been written off as it is felt that there is no reasonable expectation of recovery (either partially or in full). In addition these claims are legally time barred to be recovered. Accident claims involving government vehicles have been written off.

Held-to-maturity investments are recorded at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis.

### Non-Exchange Transactions

#### *IPSAS 23-Revenue from Non-Exchange Transactions*

Assets and revenue arising from transfer transactions are recognised in accordance with the requirements of IPSAS 23- Revenue from Non-Exchange Transactions (Taxes and Transfers). It includes mainly Grants and contribution received from State Trading Corporation and other inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Grants consist of Grants for RDA Road Projects, Grant for financing of Recurrent Expenditure and Grant for financing of Capital Expenditure.

Certain projects are financed out of National Environment and Climate Change Fund (NECCF) and Project Development Fund (PDF). Both Funds are managed by MOFEPD.

## **4.2 Foreign Currency Translation**

Transactions in currencies other than Mauritian Rupees are recorded at the rates of exchange prevailing on the dates of the transactions. At each Statement of Financial Position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the Statement of Financial Position date. Non monetary items that are measured in terms of historical cost in a foreign currency is translated using the exchange rate at the date of the transaction. Gains and losses arising on retranslation are recognized in the Statement of Changes in Net Assets/Equity.

## **4.3 Expenditure**

All expenses have been accounted for on an accrual basis.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

### 4.4 Property, Plant & Equipment (PPE)

Property, plant and equipment are initially recognized as assets at cost if it is probable that future economic benefits associated with the items will flow to the RDA and their costs can be measured reliably.

Depreciation is calculated on straight-line basis to recognise the consumption of economic benefits of an asset over its useful life. The annual rates used are as follows:

<i>Plant and Machinery</i>	<i>15%</i>
<i>Furniture and Fittings</i>	<i>10%</i>
<i>Computers</i>	<i>20%</i>
<i>Office Equipment</i>	<i>10%</i>
<i>Motor Vehicles</i>	<i>10%</i>
<i>Building</i>	<i>2%</i>

Property, plant and equipment are stated at historical cost or revalued amount less any accumulated depreciation and any accumulated impairment losses. Profit or loss on disposal of property, plant and equipment is determined by the difference between the carrying value of the asset and its disposal proceeds and is accounted for in the Statement of Financial Performance.

All Buildings constructed by the Authority (which are used as suboffices for Maintenance Works) have been accounted in the Financial Statements based on the actual cost incurred for their construction and are depreciated over their remaining useful economic lives. Building still under construction has been treated as Work In Progress under Property, Plant and Equipment and not depreciated.

Depreciation is accounted for the Statement of Financial Performance, except for that part which relates to the revalued portion of assets which is charged to the revaluation reserve.

The RDA charges a full year depreciation on PPE in the year of acquisition and none in the year of disposal.

### 4.5 Intangible Assets

Intangible assets which comprise of computer software are stated at historical cost less accumulated amortization and any impairment losses. Amortization is provided over the estimated useful life using the straight-line method. The estimated useful life for intangible asset is 5 years and is amortised at the rate of 20%.

### 4.6 Impairment of Assets/Revaluation

#### Impairment of Assets

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the RDA estimates the recoverable amount of the cash generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is recognized immediately in the Statement of Financial Performance, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years.

A reversal of impairment is recognized immediately in the Statement of Financial Performance, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as revaluation increase.

There is no indication that those assets have suffered from impairment loss. Hence no review of the carrying amounts of the tangible and intangible asset was carried out.

### Revaluation of Assets

Any increase arising on revaluation is credited to a Revaluation Surplus account in Statement of Changes in Net Assets/Equity except to the extent that it reverses a revaluation decrease for the same asset previously recognized in Statement of Financial Performance.

## 4.7 Inventories

Inventories are valued at the lower of cost and current replacement cost where they are held for:

- Distribution at no charge or for a nominal charge
- Consumption in the production process of goods to be distributed at no charge or for a nominal value

Cost is determined using FIFO method and comprises the invoiced value from suppliers.

Current replacement cost is the cost the entity would incur to acquire the asset on the reporting date.

#### 4.8 Provisions

Provisions are recognized as liabilities (assuming that a reliable estimate can be made) because they are present obligations and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligations.

Provisions are reviewed at each Statement of Financial Position date and adjusted to reflect the current best estimate.

#### 4.9 Employees Benefit Obligations

Employee benefits comprise all forms of consideration given by the RDA in exchange of service rendered by employees. These include current and short term benefits such as salaries, National Savings Fund contribution, Contribution Sociale Generalisée (CSG), Family Protection Scheme Contribution, annual vacation and sick leave, passage benefits, and post-employment benefits such as pensions (Retirement Benefits).

The average monthly number of employees for the year ended 30 June 2024 stood at 447 compared to 426 for the year ended 30 June 2023.

Employee benefits that are earned as a result of past or current service are recognized as a liability, net of payment made and charged as expenses.

##### Sick leaves refund

Sick leave is granted to eligible officers when they are absent from duty on grounds of illness.

Officers appointed in a substantive capacity are entitled to 21 working days' full pay sick leave every calendar year. Any untaken sick leave at the end of the year is accumulated in a bank of sick leave up to a maximum of 110 days. When the "bank" maximum has been reached, a maximum of 16 unutilised days, out of the annual entitlement of 21 working days, is paid in cash at the rate of 1/22 of monthly salary per day.

In the context of COVID 19 pandemic which impacted negatively on public finance, Government decided that, exceptionally, there would be no cash refund for the unutilized sick leaves for year 2020. However, up to a maximum of 16 days, of such leaves will be accumulated in the sick leave bank of eligible officers.

As such, employees will not forfeit their unutilised sick leave which will be refunded in cash at time of their retirement on their last salary drawn.

#### 4.10 Retirement benefit obligations

Provisions for retirement benefits for the RDA staff are made under the Statutory Bodies Pension Fund Act 1978 (as amended) and pension is payable to eligible employees upon retirement.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

The RDA contributes monthly to both a Defined Benefit Plan and a Defined Contribution Plan which are both managed by the State Insurance Company of Mauritius Ltd (SICOM).

### Defined Benefit Plan

The net liability at Statement of Financial Position date is determined as the present value of funded obligations after adjusting for the fair value plan assets.

The current service cost and any recognized past service cost are included as an expense together with the associated interest cost, net of expected return on plan assets is recognized in the Statement of Financial Position.

The contribution rates to the Defined Benefit Plan for permanent and full time employees is 6% from the latter and 15% from the employer.

As per Section 5 of the Statutory Bodies Pensions Funds Act (SBPFA), an actuarial investigation into the fund of the Defined Benefit Scheme should be carried out at intervals of not more than 5 years to consider the solvency position of the Fund on the ongoing and discontinuance bases and to make recommendations in respect of any re-adjustments or modifications necessary in the working of the Fund in the interest of the beneficiaries. Accordingly, SICOM carried out a valuation of the Fund as at 30 June 2020 showing a deficit of Rs 260.1M implying that the fund assets available would not be able to sustain the payment of pension already accrued as at the valuation date.

On 30 June 2021, the RDA Board was apprised of the actuarial valuation report of the RDA Pension Fund as at 30 June 2020, in particular of the increasing deficit that required special attention with a view to sustaining the payment of pension to retired officers. The Board also took note of the main causes relating to the deficit and the predictions for further increase over time and the recommendations made by SICOM to keep the Defined Benefit Pension Scheme Fund solvent in the medium and long term on the basis of the actuarial reports.

In this respect, a Technical Committee on Statutory Bodies Pension Funds was set up at the level of the MOFEPD to identify Pension Funds facing deficits and to propose measures and recommendations to address them.

Following deliberations, one of the recommendations of the Committee, amongst others, is to increase the funding level of Statutory Bodies Pension Funds to at least 60% over a period of 10 years, starting FY 2022-2023.

In this context, a transfer of a sum of Rs 18,000,000 has been made to RDA Pension Fund.

### Defined Contribution Plan

With effect from January 2013, all new entrants in a Statutory Body shall henceforth join the new Public Pensions Defined Contribution Pension Scheme.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

The contribution rates to the Public Pensions Defined Contribution Pension Scheme for permanent and full time employees is 6% from the latter and 12% from the employer.

A Defined Contribution Scheme's liability is equal to the total Asset value accumulated for each member's Personal Member Account (PMA) ; whereas a Defined Benefit Scheme's liability is calculated by projecting the benefits payable upon and after retirement of all members involved (actives, deferred and pensioners).

Therefore, for a Defined Contribution Scheme, its assets are always equal to its liabilities compared to a Defined Benefit Scheme whereby Sicom should evaluate its liability (using appropriate assumptions) and comparing it to the Scheme assets.

Nevertheless, regarding Defined Contribution Pension schemes there are cases where Sicom evaluates the Residual Retirement Liability of the Employer based on the provisions of the Workers Rights Act 2019 (WRA19) if any.

Thus, the RDA has no obligation to prepare disclosures for the Defined Contribution Scheme based on the abovementioned reasons.

### ***(i) State Plan and FPS Contribution***

Contributions to the National Savings Fund and Family Protection Scheme are expensed to the Statement of Financial Performance in the period in which they fall due.

### ***(ii) Annual vacation and sick leave and staff passage benefits***

Provision is made for benefits accruing to employees in respect of annual vacation leave, sick leave and staff passage benefit when it is probable that settlement will be required and the benefits are capable of being measured reliably.

The estimated liability of vacation leave that accumulates is recognized when the employee become entitled to leave.

### **4.11 Contribution Sociale Généralisée (CSG)**

Following the introduction of the Contribution Sociale Généralisée (CSG) employers are required to deduct, where applicable, the employee's contribution from his wage or salary and pay that contribution together with the employer's contribution to the MRA. This social contributions also apply on end of year bonus. The rate applicable on the basic wage or salary of the employee and to be deducted from the wage or salary of the employee varies from 1.5% to 3% and the rate applicable on the basic wage or salary of the employee and payable by the employer varies from 3% to 6%.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

### 4.12 Financial Instruments

Financial Instruments include cash and cash equivalents, accounts receivable and accounts payable and investments. Under IPSAS 41, financial instruments are measured at amortised cost, fair value through Net Assets/Equity or Fair Value through surplus or deficit.

#### Cash and Cash Equivalents

Cash and Cash equivalents include cash in hand and on deposit at banks, and other short term liquid investments with original maturities of three months or less.

#### Trade and other receivables

Receivables are carried at original invoice amount less an estimate made for doubtful receivables based on reviews of all outstanding amounts at year end.

#### Financial Liabilities

Financial Liabilities include other payables. The financial liabilities are initially measured at fair value and where applicable measured at amortised cost if effect of discounting is immaterial.

Subsequently, the financial liabilities are measured at amortised cost.

#### Investment

Investments with fixed or determinable payments and fixed maturity dates, that the entity has the positive intent and ability to hold to maturity, are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period.

### 4.13 Contribution received from State Trading Corporation (STC)

Contribution receivable in respect of Road Tax on fuel consumption (25 cents per litre on Mogas, 15 cents per litre on Gas oil and 15 cents per litre on Dual Purpose Kerosene) under the "Petroleum Pricing System" was accounted as Revenue.

This contribution is utilized for financing of RDA recurrent expenditure and has been wholly accounted for in the Statement of Financial Performance in line with IPSAS 23. This amount is collected by the State Trading Corporation and remitted to the Mauritius Revenue Authority and transferred to the RDA bank account by the Accountant General.

### 4.14 Car Loan to RDA Employees

Car Loans to the RDA employees are advanced by the Accountant General through the Parent Ministry. All car loan and interest repayments are deducted by the RDA and remitted to the Accountant General. The amount due by employees (which comprises of the capital element of the loan) is accounted for as Accounts Receivable and the amount payable to the Accountant General as Accounts Payable.

### 4.15 Taxation

The RDA is exempted from Income Tax.

### 4.16 Events after the Reporting Period

There are no material events subsequent to the Statement of Financial Position date which are of such importance that they would require adjustments or disclosures in the Financial Statements.

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

### **4.17 Finance Costs**

Finance cost includes bank charges incurred and is recognized as an expense in the period in which they are incurred.

### **4.18 RDA Road Projects**

Road constructions and maintenance are financed mainly from Government Grant except for certain projects which are financed out of the National Environment and Climate Change Fund (NECCF) and Covid-19 Projects Development Fund. Its corresponding payments to Contractors and Consultants and grant received are accounted in the Financial Statements.

### **4.19 National Environment and Climate Change Fund (NECCF)**

Some projects are financed out of the National Environment and Climate Change Fund (NECCF) which is managed by the Ministry of Finance, Economic Planning and Development.

The payments for these projects are funded out from the Grant which is disbursed out of NECCF upon application and submission by RDA of all relevant supporting documentations. Its corresponding payments to Contractors and Consultants and grants received are accounted in the Financial Statements.

### **4.20 Projects Development Fund (PDF)**

Some projects and maintenance and rehabilitation are financed out of the Projects Development Fund (formerly known as Covid-19 Projects Development Fund) managed by the Ministry of Finance, Economic Planning and Development.

The payments for the projects including road maintenance and rehabilitation are funded out of Grant which is disbursed out of PDF upon application and submission by RDA of all relevant supporting documentations. Its corresponding payments to Contractors and Consultants and grants received are accounted in the Financial Statements.

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

### **4.21 COVID-19 Pandemic**

The outbreak of the pandemic COVID-19 virus and its spread had negatively impacted all countries, resulting in lockdowns, border closures, travel bans, quarantines, and other emergency public safety measures. The magnitude of the spread of the virus and its highly contagious nature had led to an unprecedented sanitary crisis locally and globally.

With the closing of borders, disruption in the world supply chains and sanitary confinement, the RDA endured the COVID-19 pandemic direct consequences mainly on procurement, initiation and implementation of Road Projects. The immediate and on-going adverse financial impacts on individual projects were dependent on the nature and scale of the projects. The main impact was that physical progress was hampered and budgetary provision being under-utilized. The RDA has placed the health, safety and wellbeing of its employees, as well as operational business continuity central to its pandemic crisis management strategy.

The RDA did not receive any direct government assistance for COVID-19 pandemic nor was it involved in providing financial support to its staff except for protective equipment like face masks thereby limiting the spread of COVID-19. All salaries and benefits were paid as normal and where necessary, amounts are being recouped in line with Government directives. The pandemic has had no material effect that will impact Provisions, Contingent Liabilities and Contingent Assets, Employee Benefits and Government Grant.

### **4.22 Trade and other receivables – Income from Accident**

Trade and other receivables in respect of income from accident are recognised initially at cost less allowance for impairment. An allowance for impairment of trade receivables is established when there is objective evidence that the Authority will not be able to collect all amounts due according to the original terms of the receivables. The amount of the allowance is in respect of Road Accident Claims that are more than 10 years due and these are written off (either partially or in full) as there is no reasonable expectation of recovery.

The amount of the allowance is recognised in the Statement of Financial Performance.

### **4.23 Leases**

The RDA has a lease with National Real Estate Ltd (NREL) whereby it rents office space of 29,642ft<sup>2</sup> at the Blue Tower Building at Ebene Rose Hill to house its Head Office.

The Lease Agreement was renewed in June 2024 covering period 10<sup>th</sup> January 2023 to 9<sup>th</sup> January 2026 and conveys the right to control the use of the rented floors for a period of time in exchange for rental payment. The RDA has measured the Right of Use Asset at cost of the lease payment over the lease period which gives rise to a corresponding Lease Liability. Both have been discounted to the present value over the term of the lease. The

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

lease payments are discounted at 4.86% based on three year Government of Mauritius Treasury Notes issued on 17<sup>th</sup> May 2024.

The difference between the present value of the lease payment and the amount of rental payable has been accounted as unwinding of cost of capital in the Statement of Financial Performance (as Finance Cost) and Statement of Financial Position (Lease Liability).

The monthly rental paid has been accounted against the Lease Liability in the Statement of Financial Position. The Right to Use Asset has been depreciated based on the present value of the monthly rental payment.

### 4.24 for Road Projects

All Deposits for Road Projects and Maintenance are received upfront for the execution of specific works for respective Ministries, Departments and private institutions on their behalf. Where the work has been completed to satisfaction and no payment to contractor is outstanding, the balance is refunded subject to relevant recommendation and approval.

## 5. FINANCIAL RISK MANAGEMENT

A description of the various risks to which the RDA is exposed is shown below as well as the approach taken by management to control and mitigate those risks.

### 5.1 Credit Risk

This risk is primarily attributable to its trade receivables. The RDA has policies in place to ensure that credit facilities are given to customers with an appropriate credit history.

### 5.2 Operational risk management

Operational risk, which is inherent in all organizations activities, is the risk for financial loss and business instability arising from failures in internal controls, operational processes of the system that supports them.

### 5.3 Legal Risk

Legal risk is the risk that the business activities of the RDA have unintended or unexpected legal consequences.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

It includes risk arising from:

- a) Inadequate documentation, legal or regulatory incapacity, insufficient authority of a counterparty and uncertainty about the validity or enforceability of a contract in counterparty insolvency;
- b) Actual or potential violations of law or regulation (including activity unauthorized for a company and which may attract a civil or criminal fine or penalty);
- c) Failure to protect the RDA property (including its interest in its premises);
- d) The possibility of civil claims (including acts or other events which may lead to litigation or other disputes).

The RDA manages legal risk through the effective use of its legal adviser.

# ROAD DEVELOPMENT AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

### 6. CASH AND CASH EQUIVALENTS

The Cash and Cash Equivalents is in respect of all bank accounts held by the RDA.

Cash and cash equivalents is made up as follows:

	2024 MUR	2023 MUR
Current Account	(433,319,433)	(110,642,969)
Savings Account	466,843,165	143,497,050
	<b>33,523,732</b>	<b>32,854,081</b>

The Cash and Cash Equivalent at the beginning of year has been reconciled to the balance at end of year using the direct method as follows.

#### Cash Flow Statement for the financial year ended 30 June 2023

	1 July 2023 to 30 June 2024	1 July 2022 to 30 June 2023 (Restated)
<b>Cash Flows from Operating activities</b>	<b>MUR</b>	<b>MUR</b>
<b>Receipts</b>		
Grants for RDA Road Projects	2,555,380,200	2,758,442,439
Grants for Road Projects out of National Environment and Climate Change Fund (NECCF)	157,585,974	195,539,462
Grants for Road Projects out of Project Development Fund (PDF)	870,627,472	547,858,148
Grants for Financing of Recurrent Expenditures	189,713,597	190,170,381
Contribution from State Trading Corporation	107,654,286	100,734,319
Grant for financing of Capital Expenditure	5,713,881	4,416,129
Laboratory Fees	811,155	1,043,000
Sub Division of Land (Morcellement Fees)	-	72,000
Other Miscellaneous Income	2,075,878	2,028,714
Other Receipts: Wayleaves and Deposits for Road Projects	104,299,313	281,145,475
Deposits for Display of Advertisement	4,536,270	1,010,708
Deposits Laboratory fees	1,348,615	2,169,600
Grant received in advance - Capital expenditures	6,737,190	-
Other Deposit received	3,290,856	2,220,450
	<b>4,009,774,687</b>	<b>4,086,850,825</b>
<b>Payments</b>		
Expenditure for RDA Road Projects	(2,555,636,898)	(2,758,166,909)
Expenditure for Road Projects out of National Environment and Climate Change Fund (NECCF)	(157,585,974)	(195,539,462)
Expenditure for Road Projects out of Covid-19 Fund	(870,637,411)	(547,858,148)
Staff Cost	(244,937,440)	(222,017,367)
Tools and materials	(22,072,993)	(33,807,376)
Motor vehicle expenses	(8,193,987)	(7,353,032)
Rent	(165,600)	(180,000)
Other administrative expenses	(15,439,183)	(12,738,206)
Other payments - Payments out of Deposits received	(109,593,169)	(295,103,316)
Refund for display of advertisement	(328,920)	(1,067,000)
Advance Payment - Capital expenditures	(7,181,698)	-
Other deposit refunded	(34,000)	-
	<b>(3,991,807,273)</b>	<b>(4,073,830,816)</b>
<b>Net Cash flows from Operating activities</b>	<b>17,967,414</b>	<b>13,020,009</b>
<b>Cash flows from Investing activities</b>		
Purchase of Property, Plant and Equipment	(8,746,461)	(12,368,271)
Additions to Intangible Assets	(80,500)	(75,555)
Proceeds from disposal of Property, Plant & Equipment	-	116,350
Investment in Government Treasury Bills	(39,336,200)	(34,141,450)
Encashment of Investment in Treasury Bills	58,694,700	24,796,750
Interest on Investment received	1,305,300	203,250
Loan released to staff	(3,645,000)	-
Loan refunded by staff	1,763,529	1,363,485
<b>Net Cash flows from Investing activities</b>	<b>9,955,368</b>	<b>(20,105,441)</b>
<b>Cash flows from financing activities</b>		
Finance costs	(73,023)	(68,267)
Payment of Lease Liability	(17,232,848)	(9,991,334)
Passage Benefit paid	(5,300,863)	(5,972,886)
Vacation Leave paid	(527,855)	(1,929,447)
Sick Leave paid	(6,000,013)	(7,367,039)
Car loan received from Ministry of National Infrastructure & Community Development	3,645,000	-
Car loan disbursed/repaid to Ministry of National Infrastructure & Community Development	(1,763,529)	(1,363,485)
<b>Net Cash flows from financing activities</b>	<b>(27,253,131)</b>	<b>(26,692,458)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>669,651</b>	<b>(33,777,890)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>32,854,081</b>	<b>66,631,971</b>
<b>Cash and cash equivalents at end of year</b>	<b>33,523,732</b>	<b>32,854,081</b>

**ROAD DEVELOPMENT AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

**7. TRADE AND OTHER RECEIVABLES**

	<u><b>2024</b></u>	<u><b>2023</b></u>
	<b>MUR</b>	<b>MUR</b>
Contribution from STC	18,485,288	16,580,822
Car Loan Receivable within one year (Refer to note 10)	1,400,000	1,200,000
Income from accident	15,090,551	14,878,469
Government Recurrent Grant Receivable	265,916	264,441
Government Grant for RDA Road Projects and Maintenance receivable	380,292,426	153,151,761
Government Grant for Road Projects and Maintenance under NECCF receivable	48,406,096	-
Government Grant for Road Projects and Maintenance under PDF receivable	214,657,231	-
Prepayments & Other Debtors	10,383,936	3,064,133
	<u><b>688,981,444</b></u>	<u><b>189,139,626</b></u>

**8. INVENTORIES**

	<u><b>2024</b></u>	<u><b>2023</b></u>
	<b>MUR</b>	<b>MUR</b>
The inventories held are as follows:		
Tools and materials	7,974,895	7,319,761
Stationery	1,655,418	1,076,167
	<u><b>9,630,313</b></u>	<u><b>8,395,928</b></u>

**9. HELD-TO-MATURITY INVESTMENT**

The held-to-maturity investment consists of one investment in Government Treasury Bills of settlement amount of Rs 14,782,950 with the SBM Bank (Mauritius) Ltd held in Mauritian Rupees. The value date of the investment was 13 May 2024 with a maturity date of 11 October 2024. Thus, it has 151 days to maturity and carries a yield of 3.55% per annum. On maturity, the nominal amount of Rs 15,000,000 will be paid to the RDA.

There was another investment in Government Treasury Bills during FY 2023/2024 of settlement amount of Rs 24,553,250 with the SBM Bank (Mauritius) Ltd held in Mauritian Rupees. The value date of the investment was 22 November 2022 with a maturity date of 6 May 2024. Thus, it had 166 days to maturity and carried a yield of 4.0% per annum. On maturity, the nominal amount of Rs 25,000,000 was paid to the RDA.

Held-to-maturity investments are recorded at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period.

The held-to-maturity investment is being used as an alternative to deposits in bank which do not reap any interest income.

Interest income received through held to maturity investment is recognised as revenue.

The Held-to-Maturity Investment is a risk free investment as it is issued by the Government as Government Treasury Bills. The details are as follows:

	<u><b>2024</b></u>	<u><b>2023</b></u>
	<b>MUR</b>	<b>MUR</b>
Investment in Government Treasury Bills	14,782,950	34,141,450
Interest Income allocated for FY 2023/2024	70,433	554,531
Held to Maturity Investment	<u><b>14,853,383</b></u>	<u><b>34,695,981</b></u>

**10. CAR LOAN RECEIVABLE**

	<u><b>2024</b></u>	<u><b>2023</b></u>
	<b>MUR</b>	<b>MUR</b>
At 1 July	3,049,852	4,413,337
Add Car Loan advanced during the year	3,645,000	-
Less Repayment during the year	(1,763,529)	(1,363,485)
At 30 June	4,931,323	3,049,852
Less Amount receivable within one year (Note 7)	(1,400,000)	(1,200,000)
	<u><b>3,531,323</b></u>	<u><b>1,849,852</b></u>

## ROAD DEVELOPMENT AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

## Property, Plant and Equipment

	BUILDING MUR	WORK IN PROGRESS (BUILDING)	PLANT & MACHINERY MUR	MOTOR VEHICLES MUR	OFFICE EQUIPMENT MUR	FURNITURE & FITTINGS MUR	COMPUTERS MUR	TOTAL MUR
<b>COST</b>								
At 01.07.23	5,293,605	5,914,453	33,074,640	67,965,163	10,441,832	5,985,852	13,601,986	142,277,531
Additions	1,691,211	-	5,713,881	-	732,457	280,507	328,406	8,746,462
Transfer	5,914,453	-5,914,453						0
At 30.06.24	<b>12,899,269</b>	<b>0</b>	<b>38,788,521</b>	<b>67,965,163</b>	<b>11,174,289</b>	<b>6,266,359</b>	<b>13,930,392</b>	<b>151,023,993</b>
<b>Accumulated Depreciation</b>								
At 01.07.23	1,102,166	-	29,183,353	51,070,224	7,294,585	4,287,361	10,895,493	103,833,182
Depreciation Charge For Year	257,985	-	2,271,644	3,075,901	604,430	290,405	992,509	7,492,874
At 30.06.24	<b>1,360,151</b>	<b>-</b>	<b>31,454,997</b>	<b>54,146,125</b>	<b>7,899,015</b>	<b>4,577,766</b>	<b>11,888,002</b>	<b>111,326,056</b>
<b>Carrying Amount</b>								
At 30.06.24	<b>11,539,118</b>	<b>-</b>	<b>7,333,524</b>	<b>13,819,038</b>	<b>3,275,274</b>	<b>1,688,593</b>	<b>2,042,390</b>	<b>39,697,937</b>
At 30.06.23	<b>4,191,439</b>	<b>5,914,453</b>	<b>3,891,287</b>	<b>16,894,939</b>	<b>3,147,247</b>	<b>1,698,491</b>	<b>2,706,493</b>	<b>38,444,349</b>

**Note :** The Work in Progress (WIP) relates to a building at Helvetia, Moka (to be used as Sub-office) which was under construction during FY 2022-2023 and hence no depreciation was provided. In FY 2023-2024, the construction of the building was completed and ready for use and thus all costs incurred (WIP) have been transferred to Building and depreciation has been provided in this Financial year accordingly.

## ROAD DEVELOPMENT AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

**Right of Use Asset**

<b><u>COST</u></b>	<b>Right of Use Asset MUR</b>
At 01.07.23	-
Additions	35,329,220
At 30.06.24	<b>35,329,220</b>
<b><u>AMORTISATION</u></b>	
At 01.07.23	-
Amortisation for prior year	1,419,823
Amortisation Charge For Year	13,893,849
At 30.06.24	<b>15,313,672</b>
<b>Carrying Amount</b>	
At 30.06.24	<b>20,015,548</b>
At 30.06.23	-

The Right of Use Asset is in respect of a lease with the National Real Estate Ltd (NREL) which conveys the right to control the use of the rented building floors for a period of time in exchange for rental payment.

The RDA has measured the Right of Use Asset at cost of the lease payment over the lease period and this has been discounted to the present value over the term of the lease. The lease payments are discounted at 4.86% based on three year Government of Mauritius Treasury Notes issued on 17th May 2024.

The Right to Use Asset has been amortised based on the present value of the monthly rental payment.

NOTE 13

ROAD DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

Intangible Assets

	Computer Software
<b><u>COST</u></b>	<b>MUR</b>
At 01.07.23	2,315,178
Additions	80,500
At 30.06.24	<b><u>2,395,678</u></b>
 <b><u>AMORTISATION</u></b>	
At 01.07.23	2,079,244
Amortisation Charge For Year	113,344
At 30.06.24	<b><u>2,192,588</u></b>
 <b>Carrying Amount</b>	
At 30.06.24	<b><u>203,090</u></b>
At 30.06.23	<b><u>235,934</u></b>

**ROAD DEVELOPMENT AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

**14. TRADE AND OTHER PAYABLES**

	<u><b>2024</b></u>	<u><b>2023</b></u>
	<b>MUR</b>	<b>MUR</b>
Deposits for Road Projects	49,018,613	49,913,592
Deposits for erection and display of advertisement	10,696,673	6,489,323
Deposit for laboratory fees	348,021	484,076
Other Deposits received	65,000	65,000
Other Creditors and accruals	5,712,915	6,215,413
Car Loan payable within one year to Accountant General (Refer to note 19)	1,400,000	1,200,000
Creditors for RDA Road Projects and Maintenance	380,017,848	153,133,881
Creditors for Road Projects and Maintenance under NECCF	48,406,096	-
Creditors for Road Projects and Maintenance under PDF	214,647,292	-
Grant received in advance - eDMS	1,117,419	1,117,419.00
Grant received in advance - Capital Expenditures	6,737,190	
Creditors for Works under STC Funds	-	266,869
	<u><b>718,167,067</b></u>	<u><b>218,885,573</b></u>

**15. EMPLOYEES BENEFITS OBLIGATIONS**

	<u><b>2024</b></u>	<u><b>2023</b></u>
	<b>MUR</b>	<b>MUR</b>
Staff Passage Benefit (See Note 18.1)	5,300,000	6,000,000
Staff Sick Leave (See Note 18.2)	6,000,000	7,400,000
Staff Vacation Leave (See Note 18.3)	500,000	2,000,000
	<u><b>11,800,000</b></u>	<u><b>15,400,000</b></u>

**16. LEASE LIABILITY**

<u><b>AMOUNT</b></u>	<b>Lease Liability</b> <b>MUR</b>
At 01.07.23	-
Increase	35,329,220
At 30.06.24	<u><b>35,329,220</b></u>
 <u><b>AMORTISATION</b></u>	
At 01.07.23	-
Decrease for prior year for Finance Costs & Rental Expenses	(1,419,824)
Decrease For the Year for Finance Costs & Rental Expenses	(13,893,848)
At 30.06.24	<u><b>(15,313,672)</b></u>
 <u><b>CLOSING AMOUNT</b></u>	
At 30.06.24	<u><b>20,015,548</b></u>
Lease Liability payable within 1 year	<u><b>13,244,698</b></u>
Lease Liability payable after 1 year	<u><b>6,770,850</b></u>

The Lease Liability is in respect of a lease with the National Real Estate Ltd (NREL) which gives rise to an obligation for the use of the rented building floors for a period of time in exchange for rental payment.

The RDA has measured the Lease Liability at cost of the lease payment over the lease period and this has been discounted to the present value over the term of the lease. The lease payments are discounted at 4.86% based on three year Government of Mauritius Treasury Notes issued on 17th May 2024.

The monthly rental paid has been accounted against the Lease Liability in the Statement of Financial Position.

**ROAD DEVELOPMENT AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

**17. RETIREMENT BENEFIT OBLIGATIONS**

Amounts recognised in Statement of Financial Position at end of year:	For year ending 30	For year ending 30
	June 2024	June 2023
	MUR	MUR
Defined benefit obligation	710,521,677	624,655,976
Fair value of plan assets	(210,761,010)	(178,525,036)
<b>Liability recognised in Statement of Financial Position at end of year</b>	<b>499,760,667</b>	<b>446,130,940</b>
<b>Amounts recognised in income statement:</b>		
Service cost:		
Current service cost	21,719,555	19,087,960
(Employee Contributions)	(6,059,044)	(5,903,209)
Fund expenses	840,738	869,728
Net Interest expense/(revenue)	25,387,108	19,811,807
Statement of Financial Performance Charge	41,888,356	33,866,286
<b>Remeasurement</b>		
Liability (gain) / loss	53,241,560	47,808,703
Assets (gain) / loss	(6,372,983)	707,979
Net Assets/Equity (NAE)	46,868,577	48,516,682
<b>Total</b>	<b>88,756,933</b>	<b>82,382,968</b>
<b>Movements in liability recognised in Statement of Financial Position:</b>		
At start of year	446,130,940	396,021,018
Amount recognised in Statement of Financial Performance	41,888,356	33,866,286
(Actuarial reserves transferred in)	(2,075,720)	-
(Past service liability contribution)	(18,000,000)	(17,533,540)
(Contributions paid by employer)	(15,051,486)	(14,739,506)
Amount recognised in NAE	46,868,577	48,516,682
At end of year	<b>499,760,667</b>	<b>446,130,940</b>

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

The present funding policy is to fund the RDA Pension Fund through regular monthly contributions and/or special contributions as advised by the Actuary in order to maintain the ongoing solvency of the fund.

The actuarial valuation of the RDA Pension Fund was carried out as at 30 June 2020 which disclosed a past service deficit. It was then recommended that one of the following measures be implemented:

- (i) Maintain the contribution rate at 21% and make a single cash injection of Rs 277.5 million or 5 annual payments of Rs 64.1 million OR
- (ii) Increase the contribution rate from 21% to 25% and make a single cash injection of Rs 224.0 million or 5 annual payments of Rs 51.7 million

**ROAD DEVELOPMENT AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

**17. RETIREMENT BENEFIT OBLIGATIONS (continued)**

	<u>For year ending 30 June 2024</u>	<u>For year ending 30 June 2023</u>
	<b>MUR</b>	<b>MUR</b>
<b>Reconciliation of the present value of defined benefit obligation</b>		
Present value of obligation at start of period	624,655,976	556,476,188
Current service cost	21,719,555	19,087,960
Interest cost	36,467,715	28,500,543
(Benefits paid)	(25,563,129)	(27,217,418)
Liability (gain)/loss	53,241,560	47,808,703
Present value of obligation at end of period	<u>710,521,677</u>	<u>624,655,976</u>
<b>Reconciliation of fair value of plan assets</b>		
Fair value of plan assets at start of period	178,525,036	160,455,170
Expected return on plan assets	11,080,607	8,688,736
Employer Contributions	15,051,486	14,739,506
Employee Contributions	6,059,044	5,903,209
(Actuarial reserves transferred in)	2,075,720	-
Past service liability contribution	18,000,000	17,533,540
(Benefits paid + other outgo)	(26,403,866)	(28,087,146)
Asset gain/(loss)	6,372,983	(707,979)
Fair value of plan assets at end of period	<u>210,761,010</u>	<u>178,525,036</u>
<b>Distribution of plan assets at end of period</b>		
<i>Percentage of assets at end of year</i>	<u>June 2024</u>	<u>June 2023</u>
Fixed Interest securities and deposits	49.90%	53.90%
Loans	3.10%	2.80%
Local Equities	15.20%	14.00%
Overseas bonds and equities	31.30%	28.80%
Property	0.50%	0.50%
Total	<u>100.00%</u>	<u>100.00%</u>
<b>Additional disclosure on assets issued or used by the reporting entity</b>		
	<b>June 2024 (%)</b>	<b>June 2023 (%)</b>
<i>Percentage of assets at end of year</i>		
Assets held in the entity's own financial instruments	0%	0%
Property occupied by the entity	0%	0%
Other assets used by the entity	0%	0%
<b>Components of the amount recognised in NAE</b>		
Year	<b>June 2024</b>	<b>June 2023</b>
Currency	<b>Rs</b>	<b>Rs</b>
Asset experience gain / (loss) during the period	6,372,983	(707,979)
Liability experience gain / (loss) during the period	(16,211,260)	(47,808,703)
Liability gain / (loss) due to change in financial assumptions	(37,030,300)	-
	<u>(46,868,577)</u>	<u>(48,516,682)</u>
<b>Year</b>	<b>2024/2025</b>	
Expected employer contributions	16,362,850	
Weighted average duration of the defined benefit obligation	15 years	
(Calculated as a % change in PV of liabilities for a 1% change in discount rate)		

## ROAD DEVELOPMENT AUTHORITY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

#### 17. RETIREMENT BENEFIT OBLIGATIONS (continued)

The plan is exposed to the following risks:

1. Investment Risk which is the risk that the return earned on the assets may be lower or higher than assumed
2. Salary Risk which is the risk that the actual salary increases granted may be different than what we have assumed. For instance a higher salary increase relative to the Investment returns shall increase the Defined Benefit Obligation and hence the liability
3. Longevity Risk is caused by the improvement in mortality rates among pensioners. The longer the latter live, the higher is the liability

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:

	<u>For year ending 30</u> <u>June 2024</u>	<u>For year ending 30</u> <u>June 2023</u>
Discount rate	5.60%	5.96%
Future salary increases	4.50%	4.50%
Future pension increases	3.50%	3.50%
Mortality before retirement	Nil	
Mortality in retirement	PA (90) Tables rated down by 2 years	
Retirement age	65 years	

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

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

- If the discount rate would be 100 basis points (one percent) higher (lower), the defined benefit obligation would decrease by Rs 95.4 million (increase by Rs 120.3 million) 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 55.8 million (decrease by Rs 48.1 million) if all other assumptions were held unchanged.

- If life expectancy would increase (decrease) by one year, the defined benefit obligation would increase by Rs 21.8 million (decrease by Rs 21.6 million) if all other assumptions were held unchanged.

In reality one might expect 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 interdependences between the assumptions.

#### 18. EMPLOYEES BENEFIT OBLIGATIONS

	<u>2024</u>	<u>2023</u>
	<u>MUR</u>	<u>MUR</u>
Staff Passage Benefit	10,487,668	9,323,337
Staff Sick Leave	46,046,402	44,185,299
Staff Vacation Leave	51,428,493	45,844,524
	<u>107,962,563</u>	<u>99,353,160</u>

**ROAD DEVELOPMENT AUTHORITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>MUR</b>	<b>MUR</b>
<b>18.1 PROVISION FOR PASSAGE BENEFITS</b>		
At 1 July	15,323,337	16,320,700
Adjustment	3,169	12,332
At 1 July (restated)	15,326,506	16,333,032
Payment during the year	(5,300,863)	(5,972,886)
Charge for the year	5,762,025	4,963,191
At 30 June	15,787,668	15,323,337
Less Amount due within one year (Note 15)	(5,300,000)	(6,000,000)
	<b>10,487,668</b>	<b>9,323,337</b>

	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>MUR</b>	<b>MUR</b>
<b>18.2 PROVISION FOR SICK LEAVE</b>		
At 1 July	51,585,299	50,205,459
Adjustment	113,576	188,206
At 1 July (restated)	51,698,875	50,393,665
Payment during the year	(6,000,013)	(7,367,039)
Charge for the year	6,347,540	8,558,673
At 30 June	52,046,402	51,585,299
Less Amount due within one year (Note 15)	(6,000,000)	(7,400,000)
	<b>46,046,402</b>	<b>44,185,299</b>

	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>MUR</b>	<b>MUR</b>
<b>18.3 PROVISION FOR STAFF VACATION LEAVE</b>		
At 1 July	47,844,524	46,137,200
Adjustment	7,455	44,146
At 1 July (restated)	47,851,979	46,181,346
Payment during the year	(527,855)	(1,929,447)
Charge for the year	4,604,369	3,592,625
At 30 June	51,928,493	47,844,524
Less Amount due within one year (Note 15)	(500,000)	(2,000,000)
	<b>51,428,493</b>	<b>45,844,524</b>

	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>MUR</b>	<b>MUR</b>
<b>19.CAR LOAN PAYABLE</b>		
At 1 July	3,049,852	4,413,337
Add Car Loan advanced	3,645,000	-
Less Repayment during the year	(1,763,529)	(1,363,485)
At 30 June	4,931,323	3,049,852
Less Amount due within one year (Note 14)	(1,400,000)	(1,200,000)
	<b>3,531,323</b>	<b>1,849,852</b>

## ROAD DEVELOPMENT AUTHORITY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

#### 20. ACCUMULATED DEFICIT

	<u>2024</u>	<u>2023 (Restated)</u>
	MUR	MUR
At 1 July	(476,003,774)	(419,841,036)
<u>Adjustments for FY prior to 2023-2024</u>		
Interest on Lease Liability for period 10 Jan 2023 to 30 Jun 2023	(68,461)	
Rental expenses for period 10 Jan 2023 to 30 Jun 2023 accounted against Lease Liability	1,488,285	
Amortisation of Right of Use Asset for period 10 Jan 2023 to 30 Jun 2023	(1,419,824)	
Accumulated Deficit restated as at 1 July 2023	(476,003,774)	(419,841,036)
Prior Year Rental expenses for period 10 Jan 2023 to 30 Jun 2023 paid in Current year	(1,488,285)	
Actuarial gain / (loss) on Defined Benefit Plan	(46,868,577)	(48,516,682)
Actuarial reserves transferred in	2,075,720	
Deficit for the Year	(28,515,482)	(7,646,056)
At 30 June	<u>(550,800,398)</u>	<u>(476,003,774)</u>

#### 21. TRANSFER OF FUNDS

The transfer of funds represent capital grants received to finance Road Projects in respect of RDA Road Projects and other road projects out of National Environment and Climate Change Fund (NECCF) and Project Development Fund (PDF). These are as follows:

##### 21.1 Grant for RDA Road Projects

The Capital Grant represents amount received for financing of RDA Road Projects.

The budgetary provision for FY 2022-2023 for the Projects "Upgrading of Savanne Road (A9) from La Flora to Tyack" and "Construction of Flic en Flac Bypass from Xavier to Pierrefonds" were allocated under RDA Budget. Accordingly, the corresponding grant in FY 2022-2023 and the matching expenditure were accounted under RDA Road Projects. However, during FY 2023-2024 grant was disbursed out of Projects Development Fund and its corresponding expenditure were accounted under the PDF Fund. Given that these payment certificates were already accounted in FY 2022-2023 under RDA Road Projects, an adjustment was made to reflect the grant received from PDF and payment effected for PDF Road Projects under RDA Road Projects

	<u>2024</u>	<u>2023 (Restated)</u>
	MUR	MUR
Grants for RDA Road Projects	<u>2,929,185,885</u>	<u>2,888,001,496</u>

##### 21.2 Grant for Road Projects out of National Environment and Climate Change Fund (NECCF)

The Capital Grant for Road Projects out of National Environment and Climate Change Fund (NECCF) represents amount received from the Ministry of Finance, Economic Planning and Development through the Ministry of National Infrastructure and Community Development for financing of certain road projects related to Environment and Climate Change.

	<u>2024</u>	<u>2023 (Restated)</u>
	MUR	MUR
Grants for NECCF Road Projects	<u>205,992,071</u>	<u>194,540,522</u>

## ROAD DEVELOPMENT AUTHORITY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

#### 21.3 Grant for Road Projects out of Project Development Fund (PDF)

The Capital Grant for Road Projects out of Project Development Fund (PDF), ex-Covid-19 Fund, represents amount received from the Ministry of Finance, Economic Planning and Development through the Ministry of National Infrastructure and Community Development for financing of certain road projects and maintenance.

The budgetary provision for FY 2022-2023 for the Projects "Upgrading of Savanne Road (A9) from La Flora to Tyack" and "Construction of Flic en Flac Bypass from Xavier to Pierrefonds" were allocated under RDA Budget. Accordingly, the corresponding grant in FY 2022-2023 and the matching expenditure were accounted under RDA Road Projects. However, during FY 2023-2024 grant was disbursed out of Projects Development Fund and its corresponding expenditure were accounted under the PDF Fund. Given that these payment certificates were already accounted in FY 2022-2023 under RDA Road Projects, an adjustment was made to reflect the grant received from PDF and payment effected for PDF Road Projects under RDA Road Projects.

	<u>2024</u>	<u>2023 (Restated)</u>
	MUR	MUR
Grants for PDF Road Projects and Maintenance	938,619,683	394,156,168
<b>Total Transfer of Funds</b>	<b>4,073,797,639</b>	<b>3,476,698,186</b>

#### 22. GRANTS FOR FINANCING OF RECURRENT EXPENDITURES

This relates to Government Grant received as follows:

	<u>2024</u>	<u>2023 (Restated)</u>
	MUR	MUR
Financing of Tools and Materials	22,072,993	33,807,376
Recurrent Grant	167,642,079	156,627,447
	<b>189,715,072</b>	<b>190,434,823</b>

#### 23. CONTRIBUTION RECEIVED FROM STATE TRADING CORPORATION

Contribution receivable in respect of Road Tax on fuel consumption (25 cents per litre on Mogas, 15 cents per litre on Gas oil and 15 cents per litre on Dual Purpose Kerosene) under the "Petroleum Pricing Mechanism" is accounted as Revenue from Non-Exchange Transactions (Taxes and Transfers) as from 01 July 2017 with the full implementation of IPSAS 23. This contribution is utilized for financing of recurrent expenditure. This amount is collected by the State Trading Corporation and remitted to the MRA and transferred to the RDA bank account by the Accountant General

	<u>2024</u>	<u>2023</u>
	MUR	MUR
Received during the year	107,654,286	100,734,319
Opening Receivables	(16,580,822)	(13,901,670)
Closing Receivables	18,485,288	16,580,822
Statement of Financial Performance	<b>109,558,752</b>	<b>103,413,471</b>

#### 24. CONTRIBUTION TO RDA PENSION FUND

Following a Technical Committee set up at the Ministry of Finance, Economic Planning and Development (MOFEPD) on Statutory Bodies Pension Funds facing deficits, it was recommended to increase the funding level to at least 60 percent over 10 years, starting as from the financial year 2022-23. Thus, an amount of Rs 17,533,540 and Rs 18,000,000 was transferred directly by MOFEPD to RDA Pension Fund on 7 November 2022 and 15 September 2023 respectively. This has already been included in the Actuarial Valuation Report submitted by Sicom and thus reflected in the Pension Fund Liability

	<u>2024</u>	<u>2023 (Restated)</u>
	MUR	MUR
Contribution to RDA Pension Fund	18,000,000	17,533,540

**ROAD DEVELOPMENT AUTHORITY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

	<u>2024</u>	<u>2023</u>
	<b>MUR</b>	<b>MUR</b>
<b>25. GRANT FOR FINANCING CAPITAL EXPENDITURE</b>		
Government Grant received in current year for Upgrading of Buildings	-	847,904
Government Grant received in current year for acquisition of Motor Vehicles	-	2,297,801
Government Grant received in current year for acquisition of Machinery and Equipment	5,713,881	1,270,424
	<b>5,713,881</b>	<b>4,416,129</b>

	<u>2024</u>	<u>2023</u>
	<b>MUR</b>	<b>MUR</b>
<b>26. OTHER MISCELLANEOUS INCOME</b>		
Processing fees for advertisement	96,500	233,500
Profit on Disposal	-	116,350.00
Subdivision of Land	-	72,000
Miscellaneous Income	1,118,667	84,509
	<b>1,215,167</b>	<b>506,359</b>

**27. EXPENDITURE FOR ROAD PROJECTS OUT OF RDA BUDGET**

The Expenditure for Road Projects out of RDA Budget represents amount paid to Consultants and Contractors for roads construction and maintenance.

	<u>2024</u>	<u>2023 (Restated)</u>
	<b>MUR</b>	<b>MUR</b>
De Caen Fly Over, Port Louis	-	18,405,834
La Vigie La Brasserie Link Road -Phase 1	300,152,989	222,665,378
Reconstruction of Jumbo Phoenix Roundabout and A1-M1 Bridge - Consultancy	48,728,686	43,396,620
Reconstruction of Jumbo Phoenix Roundabout and A1-M1 Bridge - Works	301,710,471	780,152,922
Review and Updating the Road Management System	158,582	127,225
Land Acquisition - La Brasserie	834,857	-
Upgrading of Road at Palmerstone, Vacoas	-	48,673,443
La Vigie La Brasserie Beaux Songes Link Road-Survey Fees	-	845,155
Construction of Verdun Bypass	23,757,810	245,200,000
Consultancy Services for the Review of Study and Supervision for the East Coast Trunk Road (Motorway M4)	-	1,621,845
Upgrading of Constance Bridge along B117 Road at ST Remi	41,400	40,968,229
Construction of a Grade Separated Junction at Wooton	164,885,892	96,000,000
Consultancy Services for the Feasibility Study of a Dual Carriageway Linking SSR Airport to Souillac	-	17,422,385
Construction of La Brasserie- Beaux Songes Link Road- Phase 2	556,593,944	148,335,675
Grade Separated Junction to link St Pierre Bypass to Verdun Bypass	225,900,000	172,500,000
Construction of Bois Cheri Bypass	107,977,056	49,992,580
Flood Mitigation Measure at Anse Jonchee along B28 Road	131,052,686	39,237,593
Construction of a Flyover on Motorway M2 at Terre Rouge Round About	234,997,852	85,000,000
Upgrading of B28 Road (Lot 3-Phase 2) from Beau Champ to Bel Air	98,861,602	15,072,130
Consultancy Services for the Construction of La Brasserie - Beaux Songes Link Road Phase 2	17,580,422	-
Upgrading of Savanne Road (A9) from Flora to Tyack	-	36,650,385
Construction of Flic en Flac Bypass	-	110,014,635
Additional Lane along La Marie - Petrin - Chamouny Road (WO S2312SA)	27,362,088	-
Additional Lane along La Marie - Petrin - Chamouny Road (WO C2329PW)	22,866,396	-
Additional Lane along La Marie - Petrin - Chamouny Road (WO C2328PW)	20,635,999	-
Resurfacing at Stevenson Road (Behind Bigara Cemetry, La Brasserie) (WO C2325PW)	5,144,941	-
Upgrading of part of Holyrood Road	10,823,562	-
Upgrading of part of Quartier Militaire Road (B6) from Motorway M1 towards Curepipe	4,484,480	-
Road Maintenance and Rehabilitation	624,634,170	715,719,462
	<b>2,929,185,885</b>	<b>2,888,001,496</b>

The budgetary provision for FY 2022-2023 for the Projects "Upgrading of Savanne Road (A9) from La Flora to Tyack" and "Construction of Flic en Flac Bypass from Xavier to Pierrefonds" were allocated under RDA Budget. Accordingly, the corresponding grant in FY 2022-2023 and the matching expenditure were accounted under RDA Road Projects. However, during FY 2023-2024 grant was disbursed out of Projects Development Fund and its corresponding expenditure were accounted under the PDF Fund. Given that these payment certificates were already accounted in FY 2022-2023 under RDA Road Projects, an adjustment was made to reflect the grant received from PDF and payment effected for PDF Road Projects under RDA Road Projects.

## ROAD DEVELOPMENT AUTHORITY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

#### 28. EXPENDITURE FOR ROAD DECONGESTION PROJECTS OUT OF NATIONAL ENVIRONMENT AND CLIMATE CHANGE FUND (NECCF)

The Expenditure for Road Projects out of National Environment and Climate Change Fund (NECCF) represents amount paid to Consultants and Contractors for certain road projects. The NECCF is a Fund managed by the MOFEPD.

	<u>2024</u>	<u>2023</u>
	MUR	MUR
Landslide Works at Chamarel	-	145,640,799
Consultancy for Landslide at Chamarel	-	499,470
Counter Measure works to Slope Failure at Batelage, Souillac	20,006,122	19,996,415
Counter Measure works to Slope Failure at Souillac Bridge	1,292,821	-
Design-Build / Turnkey for Purging of Rock & Provision of Rock Net at Maconde Cliff	38,698,728	2,568,125
Slope Failure at Riviere des Creoles along A15 - Stabilisation Works	29,977,201	25,835,713
Stabilisation Works along B103 Road at Chamarel	69,999,218	-
Slope Stabilisation near Riviere Des Anguilles Bridge	43,514,109	-
Consultancy Services for Stabilisation Works along B103 Road at Chamarel	2,503,872	-
	<u>205,992,071</u>	<u>194,540,522</u>

#### 29. EXPENDITURE FOR ROAD DECONGESTION PROJECTS OUT OF PROJECTS DEVELOPMENT FUND (ex-COVID-19 FUND)

The Expenditure for Road Projects out of Projects Development Fund (ex-COVID-19 PDF) represents amount paid to Contractors for certain road projects and maintenance. The Projects Development Fund is a Fund managed by the MOFEPD.

	<u>2024</u>	<u>2023 (Restated)</u>
	MUR	MUR
Upgrading of Choisy Bridge, Poste Lafayette	-	1,972,712
Rehabilitation of L'Avenir Bridge	1,676,736	-
Construction of Flyover at Quay D Roundabout	45,993,101	210,884,179
Interchange Constructions and Improvements along M3-A14 at Ebene	214,963,218	153,335,936
Construction of a Bridge at Baie du Tombeau (in lieu of Pont Bruniquel)	109,224,059	26,990,666
Upgrading of Savanne Road (A9) from La Flora to Tyack	103,307,900	-
Construction of Flic en Flac Bypass from Xavier to Pierrefonds	153,060,980	-
Construction of Hermitage Bypass	86,216,678	-
Consultancy Services for the Construction of Flic en Flac Bypass from Xavier to Pierrefonds	13,471,210	-
Construction of a Flyover on Motorway M1 at La Vigie	79,653,401	-
Road Maintenance and Rehabilitation	131,052,400	972,675
	<u>938,619,683</u>	<u>394,156,168</u>

The budgetary provision for FY 2022-2023 for the Projects "Upgrading of Savanne Road (A9) from La Flora to Tyack" and "Construction of Flic en Flac Bypass from Xavier to Pierrefonds" were allocated under RDA Budget. Accordingly, the corresponding grant in FY 2022-2023 and the matching expenditure were accounted under RDA Road Projects. However, during FY 2023-2024 grant was disbursed out of Projects Development Fund and its corresponding expenditure were accounted under the PDF Fund. Given that these payment certificates were already accounted in FY 2022-2023 under RDA Road Projects, an adjustment was made to reflect the grant received from PDF and payment effected for PDF Road Projects under RDA Road Projects

## ROAD DEVELOPMENT AUTHORITY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

#### 30. STAFF COST

	<u>2024</u> MUR	<u>2023</u> MUR
Salaries and compensation	148,441,744	138,814,140
End of year bonus	11,783,458	10,998,814
Travelling	24,544,912	23,198,912
Overtime	17,238,252	11,091,710
Allowance	7,579,752	4,019,183
Gratuity	83,400	-
Uniform/Protective Equipment Allowance	2,011,306	2,787,292
Passage Benefit	5,982,867	3,422,151
National Savings Fund Contribution	2,781,262	2,466,580
Contribution Sociale Generalisée Contribution	8,663,621	7,993,810
Annual Leave refund	25,715	-
Vacation Leave refund	4,611,824	3,329,471
Pension Contribution - Defined Benefit Scheme	41,888,356	33,866,286
Pension Contribution - Defined Contribution Scheme	3,965,824	2,799,613
Family Protection Scheme	2,696,592	2,488,071
Sick Leave refund	6,555,958	7,983,806
Staff Training	238,871	194,206
Staff Welfare	933,196	907,214
	<u>290,026,910</u>	<u>256,361,259</u>

#### 31. DEPRECIATION AND AMORTISATION

	<u>2024</u> MUR	<u>2023</u> MUR
Plant & Machinery	2,271,644	1,621,759
Motor Vehicles	3,075,901	3,075,901
Office Equipment	604,430	548,364
Office Furniture	290,405	264,512
Computers	992,508	1,211,980
Buildings	257,985	105,872
Computer Software	113,344	115,736
	<u>7,606,217</u>	<u>6,944,124</u>

#### 32. TOOLS AND MATERIALS

The expenditure incurred under this item comprises among others guardrails, handrails, instant patch, bitumen, cement, iron bars and small tools used in road maintenance such as drilling machines and grinders.

	<u>2024</u> MUR	<u>2023</u> MUR
Tools & Materials	<u>21,435,803</u>	<u>35,549,445</u>

#### 33. MOTOR VEHICLE EXPENSES

This expense relates mainly to repairs and maintenance, fuel, insurance and road tax in respect of RDA vehicles - lorries, vans and cars.

	<u>2024</u> MUR	<u>2023</u> MUR
Motor vehicle expenses	<u>8,531,859</u>	<u>6,994,084</u>

# ROAD DEVELOPMENT AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

### 34. RENT

	<u>2024</u>	<u>2023 (Restated)</u>
	MUR	MUR
Rent	179,399	193,800

### 35. AMORTISATION OF RIGHT OF USE ASSET

The Right of Use Asset is in respect of a lease with the National Real Estate Ltd (NREL) which conveys the right to control the use of the rented building floors for a period of time in exchange for rental payment.

This has been amortised based on the present value of the monthly rental payment.

	<u>2024</u>	<u>2023 (Restated)</u>
	MUR	MUR
Amortisation of Right of Use Asset	13,893,849	8,662,486

### 36. FINANCE COST ON LEASE LIABILITY

The RDA has a Lease Liability in respect of a lease with the National Real Estate Ltd (NREL) which gives rise to an obligation for the use of the rented building floors for a period of time in exchange for rental payment.

The RDA has measured the Lease Liability at cost of the lease payment over the lease period and this has been discounted to the present value over the term of the lease. The lease payments are discounted at 4.86% based on three year Government of Mauritius Treasury Notes issued on 17th May 2024.

The difference between the present value of the lease payment and the amount of rental payable has been accounted as unwinding of cost of capital in the Statement of Financial Performance (as Finance Cost) and Statement of Financial Position (Lease Liability).

	<u>2024</u>	<u>2023 (Restated)</u>
	MUR	MUR
Finance Cost on Lease Liability	1,004,304	1,328,847

### 37. OTHER ADMINISTRATIVE EXPENSES

	<u>2024</u>	<u>2023</u>
	MUR	MUR
Conference and Committees	1,635,565	1,787,447
Advertisement	2,236,750	439,875
Maintenance Premises	713,080	820,943
Repairs building	587,750	611,059
Stationery	952,767	1,926,474
Printing	302,715	220,591
Postage	158,284	154,455
Books and Periodicals	2,500	12,023
Newspapers and magazines	50	-
Electricity	1,738,053	1,427,116
Telephone	2,157,799	1,517,487
Water	50,245	52,097
Repairs/maintenance office equipment	1,443,484	1,075,392
Repairs/maintenance plant & machinery	338,945	229,101
Overseas travelling	476,373	248,676
Miscellaneous	298,391	200,872
Gas	240	240
Insurance and Indemnity	488,290	528,020
Legal/Professional fees	317,380	783,337
Audit fees	500,000	500,000
Road accidents written off	596,793	1,077,273
Contribution to international organisations	186,015	174,881
	<b>15,181,469</b>	<b>13,787,359</b>

# ROAD DEVELOPMENT AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

### 38. FINANCE COSTS

	<u>2024</u>	<u>2023</u>
	MUR	MUR
Bank Charges	73,023	68,267
	<u>73,023</u>	<u>68,267</u>

### 39. RELATED PARTY TRANSACTIONS

#### Key Management Personnel

Key Management Personnel as per IPSAS 20, are:

- a) All directors or members of the governing body of the RDA ; and
- b) Other person having the authority and responsibility for planning, directing and controlling the activities of the RDA

The Management of RDA comprises of the General Manager, 2 Deputy General Managers, 5 Divisional Managers, 1 Financial Manager and 1 Administrative Manager as Key Management Personnel.

The aggregate remuneration of key management personnel and the number of members determined on a full time equivalent basis receiving remuneration in this category are:

	<u>2024</u>	<u>2023</u>
	MUR	MUR
General Manager	4,778,200	4,305,779
Other Key Management Personnel	32,559,226	31,198,197
Number of Persons	10	10
Close members of the family of Director	-	-
Close members of the family of Other Key Management Personnel	-	-
Remuneration of Chairperson who is part-time is as follows:		
Chairperson	900,000	900,000

#### Car Loan transactions with Key Management Personnel

	<u>2024</u>	<u>2023</u>
	MUR	MUR
<b>Opening Balances</b>	<u>316,667</u>	<u>516,667</u>
Loans receivable within 1 year	200,000	200,000
Loans receivable after 1 year	116,667	316,667
Opening Balance of Loans to staff promoted to key management level during the year		
Loans granted during the year	2,995,000	-
Loan instalments received	350,000	200,000
Loan transfer out	-	-
<b>Closing Balances</b>	<u>2,961,667</u>	<u>316,667</u>
Receivable within 1 year	715,667	200,000
Receivable after 1 year	2,246,000	116,667
	<u>2,961,667</u>	<u>316,667</u>

All eligible officers of the RDA are granted duty free facilities and loans for the purchase of a car as prescribed in the PRB reports.

There was no other remuneration or compensation to key management personnel.

Related party transactions were carried out at commercial terms and conditions.

## ROAD DEVELOPMENT AUTHORITY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

#### 40. CONTINGENT LIABILITIES

No provision has been made in these financial statements for any liability that may arise under the Employment Rights Act or contingency sums under contract of goods, services and projects.

There are pending litigations in respect of court cases where the Authority is involved or is a party to it. One case relates to the incident following the flashflood in Port Louis on 13 March 2013 where Swan Insurance Co Ltd is claiming the sum of Rs 70M from the following defendants: (1) The State of Mauritius, (2) The Ministry of Environment, Sustainable Development, (3) Disaster and Beach Management, (4) The Mauritius Meteorological Services, (5) The Ministry of Public Infrastructure and Land Transport, (6) The Road Development Authority, (7) The Municipal Council of Port Louis, (8) General Construction Company Limited. The RDA legal adviser is disputing liability on very strong grounds.

Other legal cases which are being handled by RDA legal adviser are as follows:

Plaint with summons - Ashanti Business Parks Ltd v/s (1) TGBV (2) Road Development Authority (3) The Ministry of National Infrastructure and Community Development. Claim Rs 2,519,665. Status : Mention 08/10/2024

Motion - (1). The Outdoor Advertising Association – (2). Rent a Sign Ltd (3). JCDecaux (Mauritius) Ltd (4). Flower Ad Ltd 5. Trait D'Union Ltee v/s The Road Development Authority - IPO 1. Jayson Network Ltd 2. Bamyris Motors Ltd. Status : Mention 16/09/2024

Intermediate Court - Plaint with Summons CN 659/2023- Mr Mohammad Yoosof Jauhangeer v/s 1. Road Development Authority & 2 Ors (4). The Ministry of National Infrastructure and Community Development (5). Super Builders Company Limited.. Claim Rs 2,000,000 Status : Mention 21/10/2024

Plaint with summons - MED/PWS - Lite Zone Co Ltd v/s (1). Road Development Authority (2). The Ministry of National Infrastructure and Community Development & 2 Ors. Claim Rs 140,431,641. Status : Mention 10/09/2024

Plaint with summons - PWS - NAS Wholesale Ltd v/s (1). Road Development Authority (RDA) (2) Transinvest -GCC- Bouyges TP-VSLI Junction Pont-Fer. Claim Rs 5,000,000. Status : Mention 19/09/2024

Plaint with Summons - Ashanti Business Parks Ltd v/s (1). TGBV Ltd (2) Road Development Authority (3) The Ministry of National Infrastructure and Community Development. Claim Rs 10,251,248. Status : Mention 03/10/2024

Plaint with Summons - PWS - The District Council of Moka v/s (1). Bhimajee Govinda IPO (2). The Road Development Authority & Ors. Status : Merits 15/11/2024

Plaint with Summons - Mr V. Naresh Bheenick & Anor v/s (1). Moosafeer Excavateur Service Ltee & Ors IPO (2) Municipal Council of Curepipe (3) The Min of Health & QL. (4) Min of Social Security, N.S and Ministry of Environment & SD (5) The National Transport Authority (6) Road Development Authority (7) The Commissioner of Police. Status : Mention 11/09/2024

Intermediate Court - Plaint with Summons - Mrs Marie Rosemay Ronelle v/s The Municipal Council of Curepipe & The RDA. Claim Rs 1,839,000 Status : Trial 12/11/2024

#### 41. RESTATEMENT OF OPENING ACCUMULATED DEFICIT

The following prior year adjustments were made:

	MUR
Accumulated Deficit as at 1 July 2023	(476,003,774)
<u>Adjustments for FY prior to 2023-2024</u>	
Interest on Lease Liability for period 10 Jan 2023 to 30 Jun 2023	(68,461)
Rental expenses for period 10 Jan 2023 to 30 Jun 2023 accounted against Lease Liability	1,488,285
Amortisation of Right to Use Asset for period 10 Jan 2023 to 30 Jun 2023	<u>(1,419,824)</u>
Accumulated Deficit restated as at 1 July 2023	<u><u>(476,003,774)</u></u>

## ROAD DEVELOPMENT AUTHORITY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

#### 42. NOTES ON BUDGET INFORMATION

##### *Difference between Original and Revised Budget*

##### **(a) Government Grant for RDA Road Construction and Maintenance and Road Projects under NECCF and PDF**

The positive variance relates to some projects which were ongoing or practically completed for which allocated budgetary provision for FY 2023/2024 were not sufficient. Hence additional funding arrangements had to be sought from the MOFEPD over and above the initial amount provided to the RDA for Road Projects and Maintenance works

##### **(b) Government Grant for Financing of Recurrent Expenditures**

The positive variance was due to increase in staff costs such as payment of salary compensation, minimum salary, recruitment of general workers, retention allowance and revised rental costs. This resulted in our request for more grant to be disbursed to cater for the additional costs

##### **(c) Government Grant for Financing of Intangible Fixed Assets (E-Document Management System)**

The negative variance was caused due to delay in the implementation of the system

##### **(d) Government Grant for Financing of Intangible Fixed Assets (Computerisation Projects of RDA)**

The negative variance was caused due to procurement delays in the acquisition of the Computerisation Project and delay in its implementation

##### **(e) Government Grant for of Upgrading of Sub Office Building**

The negative variance was caused due to procurement delays

##### **(f) Expenditure on RDA Road Construction and Maintenance and and Road Projects under NECCF and PDF**

The negative variance relates to some projects which were ongoing or practically completed for which allocated budgetary provision for FY 2023/2024 were not sufficient. Hence additional funding arrangements had to be sought from the MOFEPD over and above the initial amount provided to the RDA for its capital expenditures

##### **(g) Staff Cost**

There were an increase in staff cost expenditures such as payment of salary compensation, minimum salary, recruitment of general workers and retention allowances paid to RDA employees

##### **(h) Repairs & Maintenance Office Equipment**

The savings is due to the fact that there was delay in the implementation of the EDMS where provision was made to upgrade wifi, rental charges for hosting the EDMS (cloud data centre) and upgrade email facilities

##### **(i) Motor Vehicle Expenses**

The negative variance is caused by vehicles requiring frequent repairs and maintenance due to ageing fleet and also several increases in fuel costs during the year

##### **(j) Stationery**

The negative variance is caused by increase in purchase of toners, photocopy papers and general stationeries following recruitment of staffs such as Managers, Surveyors and Management Support Officers

##### **(k) Rent**

The negative variance is due to new lease agreement signed with the NREL where rental costs were increased and new charges were added to the existing contract agreement for lease of building

##### **(l) Conference & Committees**

The variance is due to an upward increase in rates of allowances and travelling paid to RDA Board members which had been revised in FY 2022/2023.

##### **(m) Electricity**

The variance is due to an upward increase in electricity charges and new electricity supply to newly constructed buildings to be used as sub offices

##### **(n) Upgrading of Office Buildings**

The positive variance is due to procurement delays

##### **(o) Intangible Fixed Assets (E-Document Management System)**

The positive variance is due to delay in the implementation of the EDMS

##### **(p) Intangible Fixed Assets (Computerisation Project of RDA)**

The positive variance is due to procurement delays in the acquisition of the Computerisation Project and delay in its implementation

## **ROAD DEVELOPMENT AUTHORITY**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

#### ***Difference between Revised Budget and Actual Amounts***

##### **(a) Government Grant for RDA Road Construction and Maintenance and Road Projects under NECCF and PDF**

The allocated budgetary provision for some projects for FY 2023/2024 were not sufficient. Hence additional funding arrangements had to be sought from the MOFEPD over and above the initial amount provided to the RDA for Road Projects and Maintenance works.

The negative variance relates to some road projects that were delayed due to external dependencies such as land acquisition, challenge during procurement, delay in traffic diversion, relocation of family, slow progress by contractor, procurement and legal delays. Change in scope of works, resource constraint, complex geotechnical challenges are among the reasons for the delay in implementing road projects.

##### **(b) Government Grant for Financing of Tools & Materials**

The positive variance was due to the purchase of tools and equipment and more guardrails were replaced

##### **(c) Contribution from State Trading Corporation**

The positive variance relates to an increase in sales of mogas and gasoil

##### **(d) Government Grant for Financing of Other Plant and Machinery**

The negative variance is mainly due to procurement delays caused by the fact that e-procurement was launched for procuring of plant and machinery and no bids were received from suppliers which resulted in delays in procurement

##### **(e) Government Grant for Financing of Acquisition of Motor Vehicles**

The negative variance is due to bids were received for procuring of vehicles at a lower price than the budgeted amount

##### **(f) Expenditure on RDA Road Construction and Maintenance and Road Projects for NECCF and PDF**

The negative variance relates to some road projects that were delayed due to due to external dependencies such as land acquisition, challenge during procurement, delay in traffic diversion, relocation of family, slow progress by contractor, procurement and legal delays. Change in scope of works, resource constraint, complex geotechnical challenges are among the reasons for the delay in implementing road projects

##### **(g) Expenditure on Tools & Materials**

The negative variance was due to the purchase of tools and equipment and more guardrails were replaced

##### **(h) Expenditure on Motor Vehicle Expenses**

The negative variance was due to increase in fuel costs and frequent repairs of vehicles as they are old aged

##### **(i) Rent**

The negative variance was due to increase in rental costs for renting of Blue Tower building and other charges added to the existing contract

##### **(j) Staff Cost**

The negative variance was caused due to salary compensation granted to all employees and minimum salary payable to eligible employees for which no provision were made and its impact on contribution towards the Contribution Sociale Generalisée (CSG) Fund which resulted in additional costs

##### **(k) Upgrading of Office Buildings**

The positive variance relates to procurement delays in awarding contract for Construction of Sub Office building at Mapou

##### **(l) Acquisition of Other Machinery & Equipment**

The positive variance is mainly due to procurement delays caused by the fact that e-procurement was launched for procuring of plant and machinery and no bids were received from suppliers resulting in procurement delays