



# ANNUAL REPORT

For the year 2015



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## 1.0 Corporate Profile

The proposal for the setting up of an Employees Welfare Fund to cater for the welfare, leisure and recreational needs of employees was retained at the Tripartite Meeting held in 1991.

The Fund was provided with a legal framework for its operations under the Finance and Audit (Employees Welfare Fund) Regulations 1991 on 9 August 1991.

The Fund operates with a seed capital made up of contributions paid by employers in respect of their employees during period 1st July 1991 to 30 June 1994. The total annual contributions represent 2.5% of the salaries of employees.

The Fund is administered by a Board made up of representatives of Employees, Employers and Government in line with the philosophy of tripartism.

The Fund became a corporate body in 1995 with the enactment of the Employees Welfare Fund Act 1995. The objects of the Fund are-

- To manage the financial and other resources of the Fund.
- To set up and operate schemes and projects for the welfare of employees and their families.
- To give loans or financial assistance to employees or their families for such purposes as may be determined by the Board.
- To do all such things as appear to be necessary and conducive to the promotion of the welfare of employees and their families in general.





## 2.0 Mission Statement

### Our Vision

To be a leading institution in the provision of specific welfare services to employees and their families.

### Our Mission

To be responsive to the evolving needs of employees and their families and continue to devise and implement specific welfare schemes for the attainment of the objectives of the institution

### Our Values

- Uphold Quality of Products and services
- Optimum utilisation of resources
- Accountability
- Effective Communications
- Integrity
- Innovation & Creativity
- Lifelong learning



### 3.0 Chairman's Message

It is a privilege for me as Chairman of the EWF Board to present the Annual Report of the Fund for the financial year ending 31 Dec 2015.

I joined the Fund as Chairman in April 2015. Right at the start, I have noted that the EWF is a very dynamic organization with a great vision for the welfare of its members and has a promising future.

The year 2015 marked the 20th Anniversary of the EWF Enactment. In this context, two activities which deserve to be mentioned are:-

(i) the Family Day organised by EWF on Sunday 6<sup>th</sup> December 2015 at St Felix public beach. Various sports, cultural and recreational cum entertainment activities were organized with the participation of neighbouring villages namely Souillac, Surinam, Chamouny, Chemin Grenier, Bel Ombre and Baie du Cap. We had the honour and privilege to have The Right Honourable Lady Sarojini Jugnauth, spouse of Sir Anerood Jugnauth the Prime Minister of Mauritius, as our Chief Guest. The model of the St Felix recreational park was proudly unveiled to the public on that day.

I must say that the St Felix project which is in line with the objective of the Fund, will be a major contribution by the EWF to strike the right balance between recreation and work by providing employees in the south the opportunity to promote their physical as well as mental health. Indeed, a healthy mind combined with a healthy body leads to better productivity at the workplace and this serves the interest of both employees and employers.

(ii) A blood donation organized in front of the office to respond to the Blood Donors Association appeal to replenish the Blood bank stock. I seize this opportunity to thank each and every one who donated his/her blood to save a life.

Year 2015 has been a successful year. Though it operates in a highly competitive environment, the EWF has recorded a positive growth. According to statistics, a rise has been shown in its loans applications.

After problems encountered with the Hotel Operator, the Fund has been successfully operating the hotel pending the finalization of a new strategy for the next five years.

Another major achievement for 2015 has been the successful implementation of The Board and Director Appraisal Mechanism as per code of Good Governance recommendation that "Board appraisal should be an annual feature of boards of state-owned enterprises."

Moreover, in line with the mandate of maintaining a sound governance framework at the EWF, the Board has promoted and sustained a clean, high performing, accountable and transparent administration.





The Strategic plan 2013 - 2015 has been completed as per schedule to the satisfaction of the Board and the management.

2016 will be a very challenging year. The EWF will celebrate its 25<sup>th</sup> anniversary since its setting up. A new 3 year Corporate Plan will be crafted. The Vision and Mission of the Organisation will be revisited.

Under my chairmanship significant work will be undertaken to develop new products for the well-being of both employees and employers.

The areas of action identified for future growth and improved service are as follows:

- Maximize revenue by improving existing offering.
- Launching of new and innovative products to meet evolving needs.
- Ensure increased internal capability through revamped, consolidated structures and external support.

As Chairman I promise all my support and that of the Board members to the General Manager and his team so that the targets set are reached.

I would like to take this opportunity to thank the General Manager and his team for their continued hard work, professionalism and commitment throughout the year. My sincere gratitude also goes to the Board members and their contribution and support during the past year.

Last but not least, my many thanks go to our valued customers who rely on our essential service.



## 4.0 General Manager's Report

### 4.1 Overview

I am honored once again to present the Annual Report of the Employees Welfare Fund for the financial year ending 31 December 2015 in compliance with International Public Sector Accounting Standards (IPSAS) as recommended by the Statutory Bodies (Accounts Audit) Act.

The year 2015 has been the year of transition with the completion of three year Strategic Plan ending 2015 and the crafting of the new roadmap for the year 2016 - 2019. We can proudly say that all the strategies have been on target and implementation has been as per schedule. Most of our efforts for this year was devoted to the implementation of the plan Strategic Theme 4 which is "Efficiency Improvement" and the biggest challenge was to replace the Fund existing loan management system with a more robust software to better support our business model in the coming years

This challenge has been met successfully with the implementation of the "Flex cube" banking system based on the Oracle platform. With the implementation of this system the Fund positioned itself to have an IT platform which will support the forthcoming loan activities for the next five years at least.

The second phase of this system, which is an internet based and on-line facilities, is in the process of implementation. EWF will be the first local financial institution implementing an on-line loan application system

2015 also marks the 20th anniversary of the enactment of the Employees Welfare Fund (EWF) through the Employees Welfare Fund Act voted by parliament in 1995. A series of activities in line with the Fund's objectives have been earmarked to celebrate this event. A family day was celebrated at Saint Felix with the participation of some 5,000 employees and their families and a blood donation was organized in front of the office in response to the Blood donors association Appeal to replenish the Blood bank stock.

To mark this anniversary the corporate identity has also been revisited to fit in the new environment in which the Fund operates. The official launching will be in 2016 after the renovation of the office in line with the new identity.

Another major achievement is the successful implementation of **Board and Director Appraisal Mechanism** as per code of Good Governance recommendation that "board appraisal should be an annual feature of boards of state-owned enterprises."



In order to ensure that the Directors are adding value to the Fund and to lead by example, the Board requested the MIOD to set an evaluation system to monitor its collective performance as well as the performance of individual directors, including the Chairman, on a yearly basis.

Our main objective through the strategies adopted is to increase accessibility and efficiency of the facilities being offered by the Fund to a larger number of employees through the development of new products for the wellbeing of members and revenue generation, whilst refining processes and procedures in order to improve efficiency. To date the Fund has seven loan schemes as compared to one scheme previously.

Through innovation and changes every year, the EWF Education Loan Scheme has been and remains the main activity of the Fund in spite of many similar products that are being offered by other financial institutions which are directly competing for a share in this market

Also the Fund continues to maintain its positive growth over the years in spite of the increasing competition in the financial market and the increasing exigencies of the economic and social conditions.

The continuous positive growth of the Fund is attributable to the team spirit prevailing among the Chairman, Board of Directors, Management team and all dedicated employees of the Fund.

## 4.2 Financial Overview

The Fund recorded a positive growth of around 1.10% for the year 2015. Surplus for the year amounted to Rs 70.5 million. The net worth of the Fund as at 31 December 2014 stood at Rs 2.48 billion.

The Net Asset Value of the Fund for year 2015 increased by 1.10% from Rs2,45 billion to Rs2,48 billion as compared to 3.46% increase last year.”

	2014	2015
<b>Net Surplus(Rs)</b>	76,943,782	70,542,026
<b>Fund Value(Rs)</b>	2,454,141,126	2,481,169,943

## 4.3 Review of Activities and Achievements

The summarized review which is presented below covers the various activities undertaken by the Fund during the year 2015 in line with its objectives as per EWF Act 1995.

### Loan schemes

The different loan schemes implemented since 1995 is in line with the Objective 3 of the Fund, that is,





***“To give loans or financial assistance to employees or their families for such purposes as may be determined by the Board”***

#### **4.4 Education Loan**

Since 1995, the Education Loan Scheme remains the main activity of the Fund and we continue to finance members and their children/ward to pursue further studies, at the lowest interest rates and administrative cost.

As a measure to facilitate members in their demarches for overseas studies, the Fund agreed to disburse part of the education loan without visa to enable the applicants to pay their study fees and to give proof of sufficient funds as required by the Embassies for application of visas.

The total amount of education loans disbursed for the year 2015 amounted to Rs 315,465,000.



EDUCATION LOAN SCHEME	
Loans	2015
No. of applications Received	708
No. of applications Approved	660
Amount Applied	Rs 369,544,400.00
Amount approved	Rs 289,135,000.00
Amount disbursed	Rs 315,465,000.00

The table above shows the Education Loan Scheme data for the financial year ending 31 December 2015:

#### 4.5 SC / HSC Exam Fees Loan Scheme

The loan was not granted in year 2015 as the Government met all the costs for the examinations.

#### 4.6 Employees Welfare Loan Scheme

The Employees Welfare Loan Scheme was introduced in 2010 in order to enable all employees who cannot afford to spend a vacation with their families during their working period to benefit from a loan to finance their recreational activities and vacation to be spent locally in hotels/resorts or overseas. The scope of the loan was extended to all activities which will enhance the living standard and wellbeing of employees.

The interest rate was reviewed to 8% in 2014 and became effective as from January 2015.

The total number of loans approved was 629 with a total disbursement amounting to Rs 120,339,000.

The table below shows the Welfare Loan data for the financial year ending 31 December 2015:

WELFARE LOAN SCHEME	
Loans	2015
No. of applications Received	742
No. of applications Approved	629
Amount applied	Rs 145,631,000.00
Amount approved	Rs 122,114,000.00
Amount disbursed	Rs 120,339,000.00

#### 4.7 Employees Car Loan Scheme

In November 2010, the EWF introduced a Car Loan Scheme which was made available to all employees of both the public and private sector, for the purchase of motor vehicles, new and reconditioned, at an



interest rate of 8.5%. In December 2013, the Car Loan Scheme was amended. Purchase of second hand cars was possible for a maximum loan amount of Rs 300,000 with one guarantor. Moreover, applicants who do not wish to have their new or reconditioned car as guarantee could also apply for a car loan with one guarantor.

The interest rate of the scheme which was reviewed from 8.5% to 8 % in year 2014 has been effective as from January 2015 to be more competitive on the market. Moreover, the Scheme was amended to allow for purchase of 2 cars per household to a maximum of Rs1.5 million.

A total of Rs 36,083,800 was disbursed in year 2015 for 144 applications which were approved.

*The table below shows the car Loan data for the financial year ending 31 December 2015:*

CAR LOAN	
Loans	2015
No. of applications Received	171
No. of applications Approved	144
Amount applied	Rs 46,040,600.00
Amount approved	Rs 38,776,600.00
Amount disbursed	Rs 36,083,800.00

#### 4.8 Employees Motorcycle Loan Scheme

In November 2011, a Motorcycle Loan Scheme was introduced as per the Budget Speech to help workers to have a quick and cheap means of transport for a maximum loan amount of Rs 50,000. The rate of interest is 8.5%, and one guarantor needed.

The following changes to loans policies which were brought in 2014 have been effective as from the 1<sup>st</sup> January 2015:

- 1) The interest rate was reduced from 8.5 % to 8%
- 2) Introduction of an administrative fee of Rs 500.

*In 2015, a total of 77 applications were approved with a total disbursement of Rs*

5,051,067

*as illustrated in the table below:*

MOTORCYCLE LOAN SCHEME	
Loans	2015
No. of applications received	95
No. of applications approved	77
Amount applied	Rs 6,134,363.00
Amount approved	Rs 5,352,000.00
Amount disbursed	Rs 5,051,067.00



#### 4.9 Loan for People with Disabilities Scheme

The EWF Loan for People with Disabilities Scheme available to all employees and their families of both public and private sector who suffers from a permanent disability for the financing of the following:

- The purchase of any assistive devices,
- Renovation works in respect of their disabilities,
- Medical expenses or studies.

The scheme was enhanced in year 2015 by extending the refund period to 8 years, given that refund within 5 years was acting as a barrier due to the high monthly instalment.

In 2015, 11 applications were received out of which 4 applications were approved at a total amount of Rs 1,515,000 as shown in the table below:

LOAN FOR PEOPLE WITH DISABILITIES	
Loans	2015
No. of applications received	7
No. of applications approved	4
Amount applied	Rs 2,065,000.00
Amount approved	Rs 1,060,000.00
Amount disbursed	Rs 1,515,000.00

#### 4.10 In-house Death Cover Scheme

The In-house Death Cover Scheme was introduced in September 2005 whereby the loan balances due by borrowers are being written off in case of the death of either the applicant during the period of refund or the beneficiary during the period of study. The maximum coverage was Rs 500,000 per applicant.

The Scheme has been amended in May 2013. The coverage has been increased to Rs 1million and covers both death and permanent disability for applicants during refund period and ward during study period only.

In 2015, the scheme which was only for education loan has extended to the Welfare, Car and Motorcycle Loan Schemes

The amount collected during 2015 was Rs 11,001,341 and loans totaling Rs 3.6 million have been written off. The In-house Death Cover balance as at 31 December 2015 stood at Rs 43,352,882.



The table below illustrates the In-house Death Cover for the period ending December 2015.

	2015
<b>Total No. of Clients</b>	<b>9,043</b>
<b>Premium Collected</b>	<b>11,001,341</b>
<b>Amount Written-off</b>	<b>3,664,158</b>
<b>Insurance Fund Value</b>	<b>43,352,882</b>

#### 4.11 Financial assistance to fire victims and to relatives of employees who died on site of work

Since 1993, the EWF is providing financial assistance to relatives of employees who have lost their lives on their site of work, and to victims whose houses have been completely destroyed by fire. The amount of assistance is Rs 25,000 per family.

During the year 2015, 4 requests for financial assistance from EWF members whose house were completely destroyed by fire were entertained. The total disbursed amount for the year 2015 was Rs 100,000.

#### 4.12 Refund of Contributions

The EWF continues to entertain applications from retired employees and makes arrangements for the refund of their contribution. As per the EWF Act 1995 employees who retired between the periods July 1991 to June 1994, full refund of contributions made to the EWF should be made.

There was no claim in 2015

#### 4.13 Investment Strategy

In line with the first objective of the Fund, that is,

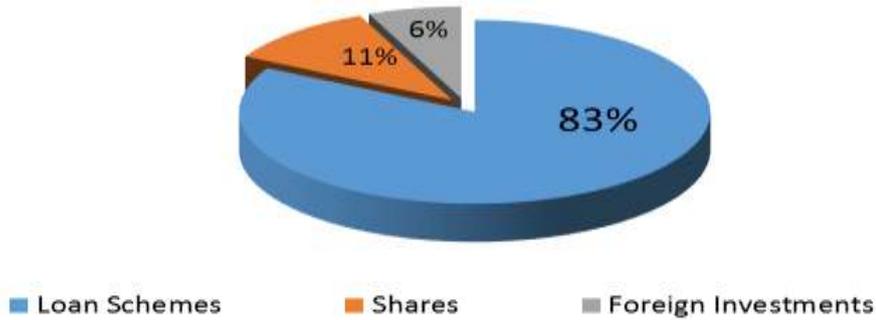
**“To manage the financial and other resources of the Fund.”,**

Prudent investment strategies have been adopted so as to strike a fair balance between risk and return. Around 83% of the investment was allocated to the different loan schemes during the year and the Fund investment strategies for the rest of 17% were as follows;

- 11 % Local Equity Markets
- 6% Foreign Investments



### Investment Structure 2015



#### 4.14 Comparative Investment Structure

Investment Structure	2014		2015	
	Rs	%	Rs	%
<b>Loan Schemes</b>	1,651,501,312	80%	1,711,399,571	83%
<b>Shares</b>	272,395,231	13%	220,690,478	11%
<b>Foreign Investments</b>	149,505,585	7%	132,284,335	6%
<b>Total</b>	<b>2,073,402,128</b>		<b>2,064,374,384</b>	



#### 4.15 Return on Investments

As a result of the investment policy undertaken, the return on investments during the year under review amounted to Rs129.2 million as shown in the table below.

Instruments	2015 (IPSAS)
<i>Loan Schemes</i>	110,353,627
<i>Foreign Investment Equity and Bonds</i>	7,098,591
<i>Equity on Local Market</i>	9,151,740
<i>Treasury Bills and Bank Deposit</i>	2,613,871
<b>Total</b>	<b>129,217,829</b>

#### 4.16 Calodyne Sur Mer Hotel

Calodyne Sur Mer which started its activities in 2002 as a Village de Vacances is now a three star hotel with 82 rooms. The objective of this project was to facilitate access to hotel to Mauritians of average revenue. The packages being offered to Mauritians are the best in terms of quality and price; which explains the increasing demand by Mauritians for this product. Twice a year, the Public Officers Welfare Council sends more than 1,000 employees for their holiday. Taking advantage of the corporate packages being offered, more than 2,000 Mauritians access the hotel every year.

Due to problems encountered with operators of the hotel since 2013, the Fund decided to take over the operations of the complex since November 2015 pending the finalization of a new strategy for the next five years.



## 5.0 The Way Forward

### 5.1 Corporate Plan 2016- 2019

After 25 years of existence it is high time for the Fund to re-invent itself so as to face the economic and social exigencies and to meet the ever-changing demand of employees who contribute to the Fund and also to align itself to 2030 vision of the Government. After the successful implementation of the Strategic Plan 2012 – 2015, the EWF has appointed a consultant to accompany the Board and management for the crafting of the road map for the next 3 years 2016-2019.

The Corporate Plan 2016-2019 will give an overview of a fully redesigned and restructuring of the EWF. The emphasis is to move from a national Organization to an International Organization by developing world class services in term of welfare schemes provided by the Fund.

### 5.2 Conclusion

To conclude, may I take this opportunity to thank all our stakeholders specially our parent Ministry for their continuous support. My special thanks to the Chairman, Board members and all the EWF staff for their team spirit and dedication to accompany the Fund in its journey towards improvement and development for the benefit of all members of the Fund and their families. Without their effort and unstinting hard work, we would not be where we are today. The success and sustainable growth of the Fund is attributable to their continuous hard work and support.



## 6.0 Corporate Governance

Corporate Governance is the system whereby the rights of the stakeholders are protected through rules as stated in the Code. This encourages transparency and clarity of reporting. Compliance to the Code of Corporate Governance is primordial to the reputation of the Fund as it entails instilling trust in the public and potential stakeholders.

The EWF is committed to implement best practices in Corporate Governance with the ultimate objective to fully adhere to the recommendations and principles contained in the Code of Corporate Governance for Mauritius. Moreover, it complies strictly with the requirements of the Finance and Audit Act, EWF Act, Statutory Bodies (Accounts and Audit) Act and other non-statutory requirements

According to the Statutory Bodies (Accounts and Audit) Act, the Fund needs to file a report on the Code of Corporate Governance. It is a legal requirement that the Fund complies with all the provisions of the Code.

### ***Board members' induction and access to information***

On appointment to the Board and/or Committees, members receive a comprehensive information pack from the Secretary of the Board and an induction programme is organised to introduce the newly appointed members to the Fund's activities.

All members have access to the Board Secretary and General Manager to discuss issues or to obtain information on specific areas or items to be considered at Board meetings or any other area they consider appropriate.

Furthermore, the members have unrestricted access to the records of the Fund. The Board and its Committees also have the authority to secure the attendance at meetings of third parties with relevant experience and expertise as and when required.

### ***Board Performance Review***

Each year the Board performance is assessed. Feedback on a range of issues relating to the performance of the Board, its procedures, practices and administration from Board members are considered to improve the effectiveness of the Board.

Following the Board Performance Evaluation exercise carried out in 2014 by Mrs. Kim Andersen from the MIOD, the following actions have been initiated in accordance with the recommendations:-

- **Training**

An Induction Training was organized for new Board members and all Board members have been offered the facilities of participation in different workshops and conferences.

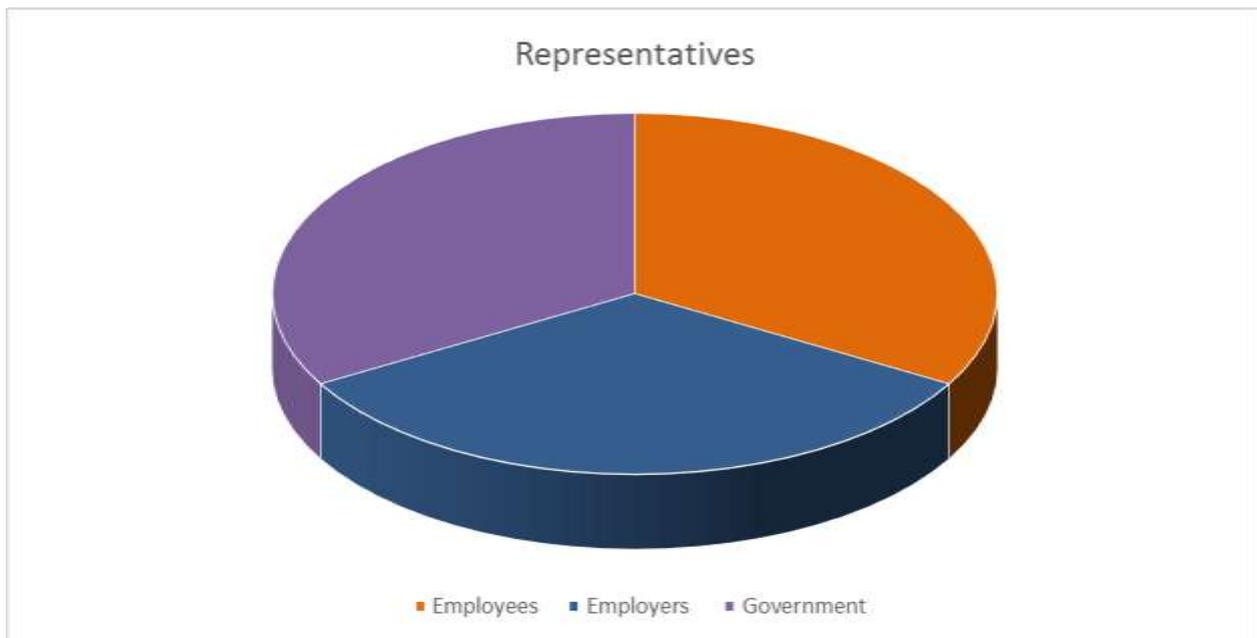


- **Code of Ethics**

The Code of Ethics has been prepared.

## 6.1 Board Governance structure

The EWF Act 1995 makes provision for the Fund to be administered and managed by a Board. The Act requires a tripartite philosophy in its management setting. The following pie shows the Board composition in terms of representatives from various sectors:



According to the EWF Act 1995, the Board shall consist of

- A Chairman to be appointed by the Minister after consultation with representatives of employees and employers.
- 3 representatives of Government
- 3 representatives of Employees appointed by the Minister after consultation with Trade Unions.
- 3 representatives of Employers appointed by the Minister after consultation with the Mauritius Employers Federation.

The Members of the Board shall hold office for a period of 2 years and shall be eligible for re-appointment.



## 6.2 Board composition for Year 2015

	Acting Chairman & representative of Government	Representative of Government	Representative of Employees	Representative of Employers
<b>JAN - APR 2015</b>	1. PALIGADU Dharamraj	1. FATADIN Fatadin 2. BEEKAWOO Prakash	1. QUEDOU Dewan 2. KUPPAN Potaya 3. HEERAMUN Vipin	1. GOBIN Khemil 3. SMITH John 2. WONG Danielle
<b>AS FROM MAY 2015</b>	1. BBAJEE Dinesh Rao (As from April 2015)	1. FATADIN Fatadin 2. BEEKAWOO Prakash 3. GUNPUTH Ganesse	1. MOONIEN Pregassen 2. RAMJUTTUN Pranjeewon 3. MOURAT Shersingh	1. GOBIN Khemil 3. SMITH John 2. WONG Danielle (Mrs)

## 6.3 Responsibilities of the Board

According to the EWF Act 1995, the Board has the powers to do all such things that are advantageous for the objects of the Fund. It has the power to delegate, manage, direct and supervise the affairs of the Fund.

The Board is responsible for the exercise of power and authority and accountable for the performance and affairs of the Fund. The Board's responsibilities include mainly the following:

- (a) Re-emphasize the Fund's purpose, strategy and values through re-defining the annual corporate plan. The Annual Corporate Plan has been assessed and agreed upon for the year and currently under action by the Fund management team.
- (b) Exercise leadership, enterprise, intellectual honesty, integrity and judgment in directing the Fund so as to achieve sustainable prosperity for the Fund. The Board with the help of the Secretary holds a policy for the frequency, purpose, conduct and duration of its meetings and those of its formally established committees. Regular Board and committees' meetings are held throughout the year as described in the tables below.
- (c) Ensure that procedures and practices are in place that safeguard the Fund's assets. Therefore, the Board should ensure that the correct internal control system is in place for a regular review of the processes and procedures. This is achieved through setting up a mechanism by which breaches of the principles of Corporate Governance can be reported.
- (d) Monitor and evaluate the implementation of strategies, policies, management performance criteria and business plans. In effect, the Board must provide guidance and maintain effective control over the Fund, and monitor management in carrying out Board plans and strategies within the Corporate



Plan. This is achieved through a set down agenda of meetings of Board committees so that any matter discussed thereupon is escalated to Board attention.

- (e) The Board reserves itself certain specific powers and delegates other related matters with the necessary written authority to management. The Board monitors the delegated matters on a regular basis whilst keeping control of material issues for itself. The matters are delegated to the Board committees for better monitoring of the specific issues depending on their fiduciary and statutory responsibilities.
- (f) Identify key risk areas and key performance indicators of the Fund in order to maintain the right risk management measures which will help the Fund to sustain its operational activities within a safe environment for a secure return on its assets and a future growth. Risk conditions are identified and communicated effectively to the Board which will cascade down directives to management within the proper scale of time so as to avoid unnecessary impact arising from such risks.
- (g) Ensure that the Fund complies with all relevant laws, regulations and codes of best business practice.
- (h) Identify, monitor and report regularly on the non-financial aspects relevant to the business of the Fund especially with regard to its welfare activities.
- (i) Ensure that the Board communicates with the Minister of Finance openly and promptly as well as meeting the requirements of the Minister as to any information that it may require in the general interest of the employees.

## 6.4 Meetings of the Board and Conduct of meetings

The Board meetings are a fundamental component of governance processes. Each Board meeting is critical as it is the main opportunity to fulfill its functions and responsibilities as listed above.

According to the Fund's Act, the Board shall meet at least once monthly at such time and place as the Chairman may consider appropriate. The quorum shall be 5 members including at least one representative each from the Government, employers and employees.

In addition, the Board meets whenever necessary between scheduled meetings to discuss urgent issues arising.

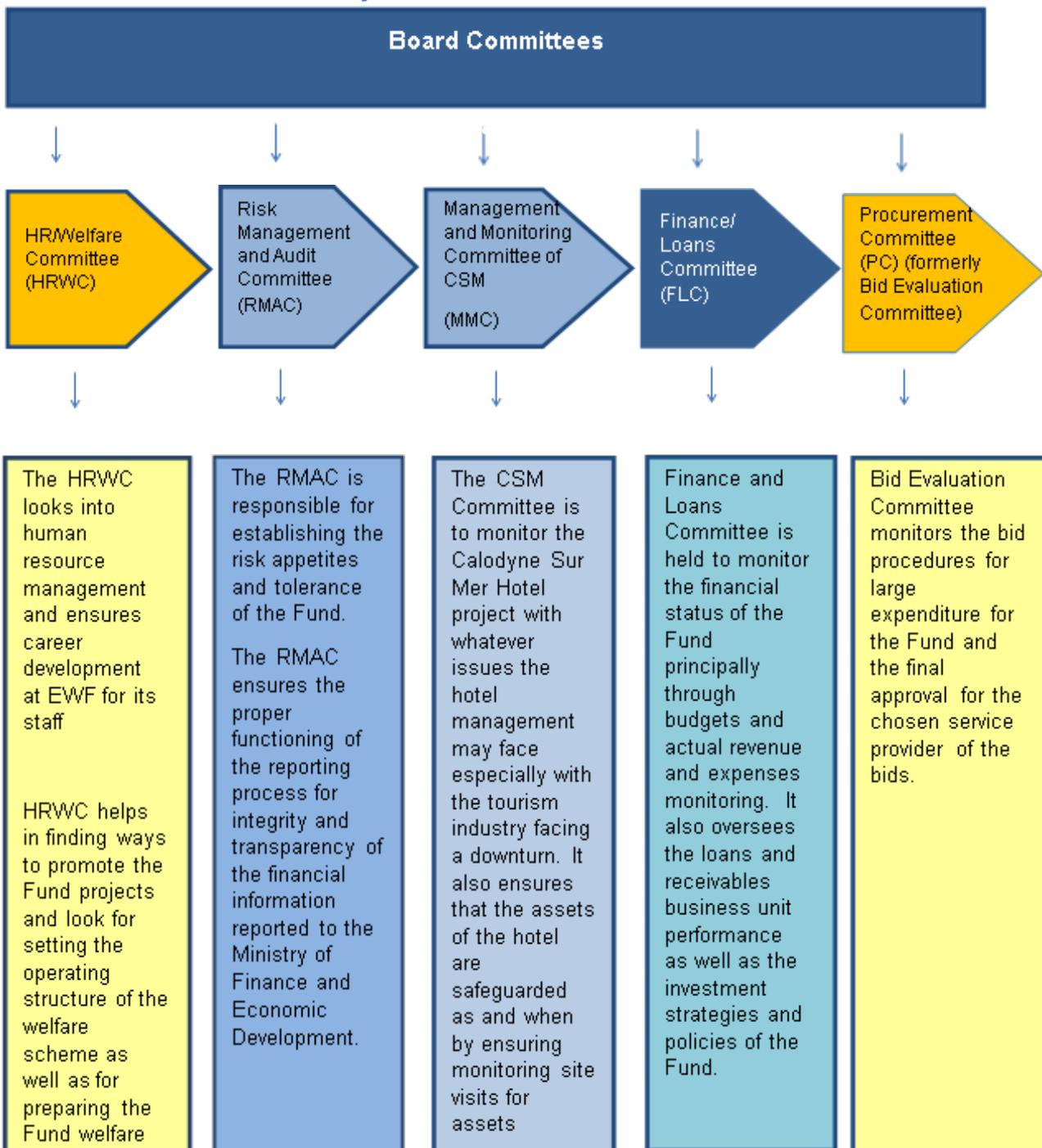


### 6.5 Board committees

To help the Board discharge its functions in a responsible and accountable manner, the Board's Committees as described below have been set up to ensure close monitoring of the Fund's operations and compliance with established regulatory guidelines.

The composition of the Committees is in line with the tripartite philosophy as far as possible, depending on competences required and availability of members.

### 6.6 Board Committees for year 2015



## 6.7 Composition of Board Committees for year 2015

Committees	MEMBERS (January to April 2015)	MEMBERS (June to December 2015)
<b>Finance / Loans</b>	1. Mr J. Smith (Chairperson) 2. Mr J. Valaythen (co-opted member) 3. Mr F. Fatadin 4. Mr V. Heeramun	1. Mr J. Smith (Chairperson) 2. Mr F. Fatadin 3. Mr S. Moorat 4. Mr P. Beekawoo
<b>Risk Management / Corporate Governance and Audit Committee</b>	1. Mrs D. Wong (Chairperson) 2. Mr P. Kuppan 3. Mr P. Beekawoo (appointed in Feb 2015 to replace Mr V. Putchay)	1. Mrs D. Wong (Chairperson) 2. Mr G. Gunpath 3. Mr P. Moonien
<b>Management &amp; Monitoring Committee of CSM</b>	1. Mrs D. Wong (Chairperson) 2. Mr J. Valaythen (co-opted member) 3. Mr K. Gobin 4. Mr P. Kuppan 5. Mr P. Beekawoo 6. Mr. M. Mootoo	1. Mrs D. Wong (Chairperson) 2. Mr P. Ramjuttun 3. Mr G. Gunpath 4. Mr S. Moorat 5. Mr J. Smith 6. Mr. K. Gobin





<p><b>Procurement Committee</b></p>	<p>1. Mr P. Beekawoo (Chairperson) appointed in Feb 2015 to replace Mr V.Putchay</p> <p>2. Mr F. Fatadin</p> <p>3. Mr D. Quedou</p> <p>4. Mr P. Kuppan</p> <p>5. Mr K. Gobin</p> <p>1 external person ( to be decided when needed)</p>	<p>1. Mr P. Beekawoo ( Chairperson)</p> <p>2. Mr K. Gobin</p> <p>3. Mr P. Ramjuttun</p> <p>1 external person ( to be decided when necessary)</p>
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The HR / Welfare was split into 2 separate committees as from June 2015 and was composed as follows:-

Up to May 2015	
<p><b>HR/Welfare Committees</b></p>	<p>1. Mr. K. Gobin (Chairperson)</p> <p>2. Mr. D. Quedou</p> <p>3. Mr. F. Fatadin</p>

As from June 2015	
<p><b>HR Committee</b></p>	<p>1. Mr. K. Gobin (Chairperson)</p> <p>2. Mr. G. Gunpath</p> <p>3. Mr. P. Moonien</p>

As from June 2015	
<p><b>Welfare Committee</b></p>	<p>1. Mr. F. Fatadin(Chairperson)</p> <p>2. Mr. D. Wong</p> <p>3. Mr. P. Moonien</p>



The Chairman and the General Manager, in collaboration with the Board's Secretary, agree on the meeting agenda to ensure adequate coverage of key issues during the year. Board papers are now uploaded in the dropbox at least five days before the meetings, except in special circumstances, so that the members may accede to the documents on their tablets.

Board members are expected to attend each Board meeting and every meeting of the Committees of which they are members, unless there are exceptional circumstances that prevent them from doing so.

The methods through which the Board exercises its powers and discharges its responsibilities are set out in the Terms of Reference and the EWF Act 1995 governing the Fund which provides, among others, for the following:

- the requirement that the Chairman of the Board must be appointed by the Minister;
- the creation of Committees;
- a corporate code of conduct addressing, inter alia, issues relating to conflicts of interests;
- the establishment of strategic objectives;
- the existence of clear lines of responsibility and accountability throughout the Fund;
- Board performance evaluation;
- the timely communication of the financial results and position to the Minister.

## 6.8 Members' profile

**The members' profile is detailed below:**

### **Mr Dinesh Rao Babajee**

Mr D. Babajee has been appointed as Chairman of the Fund in April 2015.

He worked as Medical representative from July 2001 to December 2015 in several firms such as the FTM Ltd, Unicorn Trading, Aventis Laboratory and Sanofi Aventis.

He has been appointed as the General Manager of Rose Belle Sugar Estate with effect from January 2016.

### **Mr Fatadin Fatadin**

Mr Fatadin is the Deputy Commissioner at the Ministry of Social Security National Solidarity, Senior Citizens Welfare and Reform Institution. He worked in the Ministry since 07 January 1974. He is a



Member of the National Pensions Fund Board, National Savings Fund Board, National Solidarity Fund Board, Human Resource Knowledge and Arts Development Fund Board, Vice Chairperson of the Technical Commission on Employment Policies & Unemployment Benefit (International Social Security Association-ISSA). Mr Fatadin also chairs the Welfare Committee of the Fund since June 2015.

**Mr Prakash Beekawoo**

Mr Prakash Beekawoo joined the Civil Service in 1984 in the Prison Department of Mauritius as Prisons Officer and moved to the Public Service Commission as Clerical Officer in 1985. He left the Public Service Commission in 1989 to join the Ministry of Housing and Lands as Executive Officer and moved to the Ministry of Arts and Culture, Ministry of Health, Ministry of Industry, Commerce and Cooperatives and Prime Minister's Officer as Assistant Secretary since 1992 to 2008. In 2008 to 2014 he was assigned duties as Principal Assistant Secretary in the Prime Minister's Office. In 2015 he was designated as Acting Deputy Permanent Secretary in the Ministry of Finance. Mr Beekawoo chairs the Procurement Committee since February 2015.

**Mr Ganesse Gunpath**

Mr. Gunpath is employed as Teacher/Senior Teacher at the Ministry of Education since 1990. He started his career in 1986 as Educator in Presidency College and Private SMF in 1987 in the Mauritius Police Force. He left the police force in 1988 to join the Ministry of Education as Trainee Teacher.

**Mr Khemil Gobin**

Mr Khemil Gobin is a Management/Development Professional and Practitioner and has extensive experience at senior management/corporate level.

He now leads his own consulting practice, The Edge Consulting which is active both locally and in the region.

He has been closely associated with many organisations, professional bodies and tertiary institutions in the capacity of Chairperson, Council/Board Director and Senate Member and is currently the Chairperson of the Human Resource and Welfare Committee of the Fund.

**Mrs Danielle Wong Ng**

Mrs Wong was the Director of the Mauritius Export Association as from 1980. She was entrusted by the Economic Commission for Africa (UNECA) and Overseas Development Agency to perform a number of studies in African countries. She was also Member of the world EPZ Association, Flagstaff, USA from 1988- 90.

She was a Member of the American Society for Quality and World Quality Council since 1996 She was a key resource to MEPZA winning the National Unity Award, was re-elected as Chairman of the Port Users Council of Mauritius. She was closely linked with the emergence of the export sector as a pillar of the economy.





**Mr John Smith**

Mr. Smith is employed as Group Human Resources Manager at Mauritius Oil Refineries Ltd since April 2004. He started his career in the tourism sector as Tour Operator and joined the Constance S.E in 1990 as Assistant to Personnel Manager/PRO.

**Mr Pranjeewan Ramjuttun**

Mr Ramjuttun is the General Secretary and Full-time Negotiator of General Trade Unions Federation, Executive member of National Trade Union Confederation, Executive member of Southern Africa Farm Worker Network (based in Johannesburg), Member of National Pension Appeal Tribunal, Member of the National Remuneration Board, Workers Educator since 1990, Trainer – Alternative to Neo-Liberalism in Southern Africa (ANSA).

**Mr Pregassen Moonien**

Mr Moonien is presently employed by the State Land Development Company as Agricultural Worker. He is the President of the “Plantation Workers’ Union” and Treasurer of the “Mauritius Labour Congress”

**Mr Shersingh Mourat**

Mr Mourat is posted as Technical Assistant / Senior Technical Assistant at the Mauritius Cane Industry – Extension and Training Unit since 1995 to date.

Since 2007 he is the Treasurer of the Federation of Parastatal Bodies and other Unions.

**6.9 Committee Charters**

Each Committee has its Terms of Reference which clearly articulate its responsibilities. Calendars of meetings are fixed in advance for 12 months at the beginning of each year. The Terms of Reference of all Committees are reviewed annually to ensure that they comply with best practices in the relevant areas. Attributes of all Committees have been clearly defined in line with the Code of Corporate Governance.

A summary of the key responsibilities of these Committees are set out below.

Committee	Key responsibilities
<p><b>Finance &amp; Loans Committee</b></p>	<p>The Finance Committee is a formally constituted Committee of the Board with particular responsibility to assist and advise the Board in fulfilling its corporate governance and over sighting responsibilities in relation to the Fund’s financial management, investment policy, financial reporting and approval of loans.</p>





<p><b>Human Resource Committee</b></p>	<p>The Human Resource is a formally constituted Committee of the Board. Its purpose is to assist the Board in fulfilling its obligations relating to human resources, including performance, compensation, succession and safety matters. The main activities of the Committee are:</p> <ul style="list-style-type: none"> <li>• To propose and review appropriate staffing structure requirements for the efficient management of the Fund to the Board.</li> <li>• To ensure effective human resource development of the Fund.</li> <li>• To ensure that there is a clearly defined and transparent policy procedure for the appointment of staff to serve the Fund.</li> </ul>
<p><b>Welfare Committee</b></p>	<p>The Welfare Committee is a formally constituted Committee of the Board. Its purpose is to assist and advise the Board on welfare activities to be undertaken in compliance with the objectives of the Fund as per Employees Welfare Fund Act 1995. Main activities of the Committee are:</p> <ul style="list-style-type: none"> <li>• prepare welfare activities at national level on a yearly basis to be implemented by EWF</li> <li>• set up appropriate structure for the operation of welfare schemes identified</li> <li>• promote and create awareness of the various schemes to employees</li> </ul>
<p><b>Risk Management, Corporate Governance and Audit Committee</b></p>	<p>The Risk Management and Audit Committee is a formally constituted Committee of the Board. Its role is one of adding value by helping the Management to ensure that good judgment has been exercised. Its responsibilities include, assisting the management in :</p> <ul style="list-style-type: none"> <li>• reviewing the internal audit scope</li> <li>• monitoring and reviewing both the risk control and governance processes which have been established in the organization;</li> <li>• coordinating all related units such as Internal Audit and External Audit;</li> <li>• overseeing the Fund’s financial statements and internal controls; and</li> <li>• directing any special investigations.</li> </ul> <p>One common responsibility ,among all its potential roles, is risk management oversight, some of the potential risks being:</p> <ul style="list-style-type: none"> <li>• erroneous financial reporting;</li> <li>• regulatory non-compliance;</li> <li>• conflict of interests;</li> <li>• fraudulent activities resulting from weaknesses in internal controls.</li> </ul>
<p><b>Management and Monitoring of CSM Committee</b></p>	<p>The Management and Monitoring of CSM Committee is a formally constituted Committee of the Board. The Committee was set up to manage the hotel project. It has the particular responsibility in assisting the Board on managing the project with:</p> <ul style="list-style-type: none"> <li>• issues that may crop up with the current downturn in the tourism sector</li> <li>• safeguard of the assets of the hotel by ensuring that site visits are done for checking on physical existence of the hotel assets</li> </ul>





	<ul style="list-style-type: none"> <li>site visits for improvements and hotel amenities renovations</li> </ul>
<p><b>Procurement Committee (formerly Bid Evaluation Committee)</b></p>	<p>The Procurement Committee is a formally constituted Committee of the Board. The Committee has been founded for the need of the Fund to undertake large projects expenditures which are bid for:</p> <p>Main activities of the committee are:</p> <ul style="list-style-type: none"> <li>to consider the projects expenditure requirements</li> <li>to consider the projects proposal and corresponding bids</li> <li>to direct and follow up on the correct bid process</li> <li>to appoint the best bid proposal</li> </ul>

The table below shows the number of Board and Committees meetings held for the year ended 31 December 2015:

Committees	Total No. of Meetings
Board	12
Special Board Meeting	5
Finance & Loans Committee	11
HR/Welfare Committee	8
Special HR Committee	1
Welfare Committee	5
Management and Monitoring Committee of CSM	5
Procurement Committee	5
Audit and Risk Management Committee	2



## 6.10 Board and Committees attendance

The Table below shows the overall attendance of members to Board and Board Committees for period January to April 2015 in respect to the number of meetings held.

Members	Board	Committees					
		Finance Loans & HR	Welfare	Procurement	Audit & Risk Management	Management and Monitoring Committee of CSM	
PALIGADU D. Dr. (Acting Chairman)	6/6	1/1					
VALAYTHEN J. Mr*	n/a	¾					
FATADIN F. Mr	6/6	4/4	5/5	1/1	2/2		
BEEKAWOO P. Mr (appointed as from Feb 2015)	¾						
GOBIN K. Mr	6/6		5/5	1/1	2/2		
WONG D. Mrs	6/6					1/1	
SMITH J. Mr	5/6	4/4					
KUPPAN P. Mr	5/6					1/1	
HEERAMUN V. Mr	6/6	4/4					
QUEDOU D. Mr	6/6		5/5	1/1	2/2		
PUTCHAY V. Mr					1/1	1/1	
BABAJEE D. Mr (appointed chairman as from April 2015)	1/1						

\* Mr Valaythen was appointed as a co-opted member the Finance Committee in view of his expertise in finance matters.



The Table below shows the overall attendance of members to Board and Board Committees for period January to December 2015 in respect to the number of meetings held.

Members	Board	Committees					
		Finance & Loans	HR	Welfare	Procurement	Audit & Risk Management	Management and Monitoring Committee of CSM
BABAJEE D. Mr	11/11						
GUNPUTH G. Mr	11/11		4/4			1/1	5/5
BEEKAWOO. Mr	9/11	5/7			3/3		1/1
FATADIN F. Mr	10/11	5/7		3/4			
GOBIN K. Mr	9/11		4/4		2/3		4/5
WONG D. Mrs	11/11			3/4		1/1	4/5
SMITH J. Mr	9/11	7/7					2/5
MOONIEN P. Mr	9/11		4/4	4/4		1/1	
RAMJUTTUN J. Mr	11/11				3/3		5/5
MOURAT S. Mr	11/11	7/7					5/5

### 6.11 Board members' remuneration and statement of remuneration philosophy

As per the EWF Act 1995, the Board members' remuneration is stipulated in the Ministry of Finance and Economic Development for the meetings and function at the Fund. For the year ended 31 December 2015, the members earn Board fees and benefits of Rs 2,575,000.

### 6.12 Executive Management

The Fund is set up by an Act of Parliament and managed by the Board as above. It is established outside the Central Government and is involved in commercial, economic, service oriented social activities requiring a large degree of autonomy and freedom from bureaucratic interference. Its affairs are subject to the scrutiny of Parliament and the parent Ministry. The daily operations of the Fund have been delegated to a General Manager who is the Chief Executive Officer and a Deputy General Manager.



## 6.13 Senior Management Team profile

### **Mr Appalsamy Reddi Sitanna – General Manager**

Mr Sitanna is a Fellow Member of the Association of the Chartered Certified Accountant with a Master of Science in Finance, University of Mauritius. He is also a certified PLC. He is a member of the Mauritius Institute of Directors (MIOD), Mauritius Institute of Management (MIM) and Mauritius Management Association (MMA).

Before joining the position as Internal Resource Controller at the Mauritius Broadcasting Corporation in 2001, Mr. Sitanna served in various positions in the public and private sector. He was appointed as Manager/Accountant for the Employees Welfare Fund as from 2005 and promoted to the function of General Manager of the Fund as from December 2007.

### **Mr. Ashok Nawaz - Deputy General Manager**

Mr Nawaz is a Fellow Member of the Association of Chartered Certified Accountant with a Master in Science in Finance, University of Mauritius.

He started his career in August 1995 in the private sector as Account Clerk, worked as Co-operative Officer from Jan 2000 to 2004 at the Ministry of Co-operatives and Accountant for the Irrigation Authority from February 2004 to June 2005 and became the Internal Auditor of the same entity as from July 2005.

He was appointed as Accounts Manager as from 2007 for the Fund and has been promoted to the function of Deputy General Manager of EWF as from January 2013.

Mr Nawaz is a member of the Mauritius Institute of Directors

### **Mrs Anne Marylyn Ramiah – Administrative Manager and Board Secretary**

Mrs Ramiah has a Bachelor of Arts Degree in Business Management from the University of Sunderland and is a member of the Mauritius Institute of Directors. From 1978 to 1986, she worked at the Prime Minister's Office. From 1986 to 2003, she was Executive/Higher Executive Officer at the Ministry of Finance. She has been seconded to the Employees' Welfare Fund since August 1991. In November 2003 she was permanently transferred to the Employees Welfare Fund as Administrative Secretary of the Fund with main responsibilities as Board Secretary. Further on, she has been assigned duties of Administrative Manager since August 2013.



## **Mr Jayesingh Dahoo - Project Manager**

Mr. Dahoo has a Bachelor of Science in Social Work, University of Mauritius which he completed in 1998. Later he completed his first Master of Science in Public Sector Management (2004) and his second Master of Science in Corporate Governance & CSR, both at the University of Technology, Mauritius.

He worked at the Ministry of Social Security, National Solidarity and Reform Institutions as Social Security Officer from January 1999 to March 1999. He then joined the Social Welfare Division in the same Ministry as Social Welfare Officer and in March 2001 he was appointed to the post.

From September 2001 to June 2003 he worked as Enterprise/Community Development Officer for the International Fund for Agricultural Development (IFAD) – Rural Diversification/Poverty Alleviation Programme under the aegis of the Ministry of Women’s Rights, Child Development and Family Welfare.

From July 2003 to October 2005, he worked as Officer - Community Relations at the Independent Commission against Corruption in the Corruption Prevention and Education Division. He also worked as Probation Officer for the Commission of Probation and Aftercare Service under the aegis of the Ministry of Social Security, National Solidarity and Reform Institutions from October 2005 to December 2005.

From January 2006 to March 2009, he worked at the Lois Lagesse Trust Fund – School for the Blind as General Manager. From April 2009 to May 2010, he worked as Project Manager for the National Computer Board under the Ministry of Information and Communication Technology on the Community Empowerment Programme which was financed by the UNDP and Microsoft.

He is presently the Project Manager at the EWF.

## **6.14 Related party transactions**

Related party transactions are considered as individuals, parties or entities that could influence the Fund directly or indirectly in making financial and operating decisions. During the year ended 31 December 2015, the related parties transactions entered into by the Fund are as described into the notes to the financial statements.

## **6.15 Risk Management**

The Committee that oversees risk matters is the Risk Management Committee. The latter defines the risk management policies of the Fund with regard to the welfare projects, investments and loans and receivables. The Fund maintains a conservative approach to investment policy with most of its



investments in listed local equities. With regard to the loans and receivables portfolio management, the Fund has well established loan policies regarding the different types of loans which restrict the credit risk exposure of the Fund.

Following the resignation of the Internal Auditor, the Board decided to outsource the services. After a tender exercise, the services of BDO were retained for the provision of Internal Audit and Risk Management services for a period of one year.

**The activities of the Fund expose it to the following types of risks:**

Market risk which consists of;

- price risk – the risk that the Fund faces from changes in the prices of its listed investments;
- interest rate risk – The Fund invests in bank deposits and loans out receivables at interest rates which may fluctuate as a result of a change in the repo rate and hence exposing it to interest rate risk;
- Foreign exchange risk - The Fund invests in equity shares in companies incorporated in USA and UK which are denominated in these foreign countries currencies as well as having fixed deposits in USD. It will face foreign exchange risk if there is significant change in the exchange rates from USD and UK pound sterling to the Mauritian rupee.

The Fund manages its investments portfolio by having regular reporting on the value of the investments on a monthly basis in the Finance Committee. Any decision whether to exit from an investment or to acquire new investments is done at the level of the Finance Committee. During 2014, the market has not experienced any major fluctuations in terms of economic downturn or large fluctuations in foreign exchange so much so that the Fund has not faced any major market risks.

Liquidity risk- The Fund does not have significant creditors at year end other than the retirement benefits obligations and in house death policy covers which are not due in the short term.

Credit risk – the risk that the Fund will face following the inability of its customers to repay back the loans installments due to the Fund.

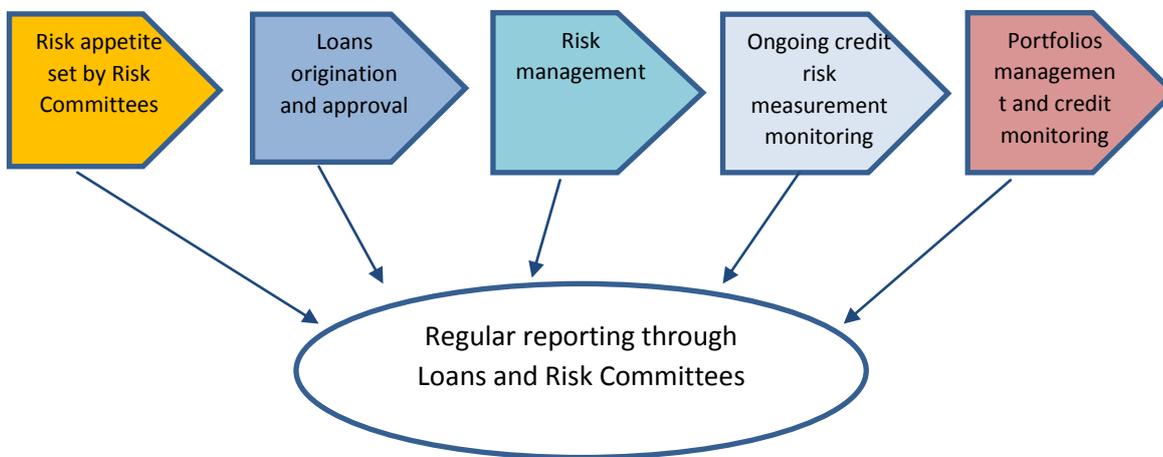
The Risk Management Committee and Loans Committee have defined a set of Loans policies which analyses the credit worthiness of the customers before a loan is actually originated. These consist of a comprehensive risk management process which requires that all secured education loans are guaranteed with a mortgage security on property provided by the client. The process is reinforced with an independent team of the Legal Department who works on debtors monitoring on a regular basis.



Management ensures that there is segregation of duties within the Fund with an independent Internal Auditor, compliance, physical security and legal function all functioning towards risk management measures input in place.

Loans initiation is done within a well-defined process which ensures that ‘Know Your Client’ measures are complied with as well as credit worthiness of the clients assessed. Loans get disbursed only when they have been properly assessed for credit worthiness and approved at Loans/Finance Committees.

Meetings of the Loans Committee are held to ensure that the credit exposure of the loans portfolio is monitored on a regular basis. Monitoring of debtors is done on a priority basis and reminders sent.



The follow up of defaulting debtors is done on a regular basis by the Legal Team. Solicitors are appointed when they are required to start up legal actions for debt recovery for delinquent accounts. Monitoring is done in the Loans and Risk Committees. When loans are seen as needing a rescheduling of terms these are taken up at the level of the Loans Committee. These particular loans are monitored closely and reminders sent to encourage the defaulting customers to pay back their arrears once rescheduled. If no payment is received within the next month, management should take further actions to consider provisioning of the loans.





## 7.0 Sustainability reporting

As one of the leading institutions, the Fund provides specific welfare services to employees and their families. Employees Welfare Fund has contributed to the society in terms of welfare projects, schemes and activities.

In line with its commitment for sustainable development since 2013, the Fund is continuously endeavoring to save energy, avoid wastes and reduce carbon emissions. Use of electricity, printing paper and toners are constantly controlled. Moreover, with the implementation of the new IT-based Loan Management System (Flexcube), the Fund is targeting to become a paper-less office.

Furthermore, in view of promoting the welfare of its internal customers, i.e., its employees, the services of a Health and Safety Consultant have been hired. This initiative helps to maintain good working conditions for staff in line with the compliance with the Occupational Safety and Health Act 2005, thus ensuring a safe, healthy and conducive office environment.

The Consultant is also responsible to verify, report and recommend on the office work environment and the staffs' safety and health.

The Consultant effects fortnight visits as well as attends committee meetings every 2 months and submits a monthly presentation of his reports and any health and safety matters.



## 8.0 Directors' Responsibility Statement

### (a) Financial Statements

The Directors of the Employees Welfare Fund are responsible for the integrity of the audited financial statements of the Fund and the objectivity of the other items of information presented in these statements.

The Board confirms that, in preparing the audited financial statements, it has:

- i. Selected suitable accounting policies and applied them consistently;
- ii. Made judgments and estimates that are reasonable and prudent;
- iii. Stated whether applicable accounting standards have been followed, subject to any material departures explained in the financial statements
- iv. Kept proper accounting records which disclose with reasonable accuracy at any time the financial position of the Fund;
- v. Safeguarded the assets of the Fund by maintaining internal accounting and administrative control systems and procedures; and
- vi. Taken reasonable steps for the prevention and detection of fraud and other irregularities.

### (b) Going Concern Statement

On the basis of current projections, we are confident that the Fund has adequate resources to continue operating for the foreseeable future and consider that it is appropriate that the going concern basis in preparing the financial statements be adopted.

### (c) Internal Control and Risk Management

The Board is responsible for the system of Internal Control and Risk Management for the Fund. The Fund is committed to maintain continuously a sound system of risk management and adequate control procedures with a view of safeguarding its assets. The Board believes that the Fund's systems of internal control and risk management provide reasonable assurance that control and risk issues are identified, reported on and dealt with appropriately.

### (d) Donations

The Fund did not make any donations in this financial year.

Chairman

**Mr D. Babajee**

Board Member



## 9.0 Corporate Social Responsibility / Welfare Activities

### Welfare Projects/Schemes/Activities

In line with one of its objectives, the Fund is, for some time now, investing much resource in identifying and implementing projects and schemes. Corporate Social Responsibility principles are embedded in the EWF Act and the Fund is constantly demonstrating its commitment to contribute to economic development while improving the quality of life of the workforce and their families.

Consequently, the Fund has continued investing in welfare projects, namely;

- I. The Sodnac Wellness Park at Colline Candos, Quatre-Bornes
- II. The St. Felix Recreational Park Project
- III. Garment textile project in Rodrigues and
- IV. The Agalega Recreational Park

### 9.1 Sodnac Wellness Park

The first phase of the Sodnac Wellness Park Project was completed in 2012 and same was officially inaugurated in November 2012. Since then, more and more people from around the Island of Mauritius are visiting the park every day and are making use of all the facilities put at their disposal namely:

- The endemic garden;
- The jogging track;
- The football grounds;
- Kiosks and benches and
- Outdoor Gym and other wooden exercise equipment

The main facilities used remain the jogging track, the outdoor gym and the football playgrounds. Thanks to the 24-hour presence of the Special Mobile Force at the park, users keep visiting the park early morning and in the late afternoon till 19hr30.

The Fund is now embarking on the 2<sup>nd</sup> phase and the main components under consideration are:

- Setting up of the medicinal corner
- Forestation including planting of tree species
- Setting up of the Children's Corner
- Lighting of the Jogging Track



It is to be noted that the maintenance of the park is daily being done by the Special Mobile Force. Moreover, so as to contribute towards same, the Fund has recruited 1 full time General Worker. A second full time General Worker is being looked for to further assist in the maintenance works. Gardening tools are also provided.

## 9.2 St. Felix Recreational Park Project

Following the official signing of the Memorandum of Understand (MoU) between the EWF, the Beach Authority (BA) and the District Council of Savanne (DCS) in 2012, there have been changes to the initial project in terms of its dimension and components.

Given an additional extent of 3.65 acres now available, the architectural shape of the project has grown. The first draft of the architectural layout is ready and will soon be discussed with all stakeholders so as to finalize same.

The grown scope of the project may have cost implications. However, it is to be noted that the initial cost of the project was MUR5M whereby MUR2M will be spent on first phase.

## 9.3 Garments Production Unit at La Ferme

In 2010 the Fund financed the setting up of a Garment Production Unit at Manique, La Ferme This project emerged out of the need to create employment opportunities mainly for deprived female heads of household who have no permanent means of earning their living. It aims at promoting sustained income generating activities for them.

The project has been revisited in 2015 for the launching and efficient operation of an Incubator for Garment Production and a Resource Centre for Entrepreneurs in Rodrigues. An MoU was signed between the Employees Welfare Fund, the Deputy Chief Commissioner's Office, the Commission for Industrial Development and the Small and Medium Enterprises Development Authority to develop a framework of cooperation between all parties

## 9.4 Agalega Recreational Park Project

As reported by the Outer Islands Development Corporation (OIDC), the first phase is nearly completed. Some final finish works are outstanding and same may soon be launched.

It is to be noted that the Fund faced much constraints in the implementation of the project due to limited accessibility to the Island. This also resulted in poor follow-up and monitoring on site.



An official report on the completion of the project is still awaited.

## 9.5 Calodyne Sur Mer Hotel

Calodyne Sur Mer which started its activities in 2002 as a Camp de Vacances is now a three star hotel with 82 rooms. The objective of this project was to democratize access to hotel facilities for Mauritians of average revenue.

Concessionary packages are offered to Mauritians and this explains the increasing demand by Mauritians for this product. Very often, the Public Officers Welfare Council sends more than 1,000 employees to the hotel to spend their vacations.

Special packages are offered to Mauritians namely family packages and corporate packages and over 2,000 Mauritians benefit from these packages.

So as to attract more Mauritians, 1-day packages and end-of-year events for corporations are also catered for.

The Fund took over the hotel from Alliance Hotels Ltd. in March 2015 following which its operation had stopped. Major renovation works were undertaken and following a tendering exercise, the hotel was handed over to Blue Cherry Hotels & Resort Ltd. for operation and management on 01 August 2015.

However, due to some constraints faced by Blue Cherry Hotels & Resort Ltd., the Fund took over and since 01 November 2015, the operation and management is being done by the Fund.

## 9.6 Welfare Activities

- **Sponsorships**

The Fund also assisted Public and Non-Governmental Organizations financially by sponsoring advertisements in souvenir magazines as follows:

- Publication in Public Sector Guide - Southern Press Ltd.
- Publication in souvenir magazine – Lions Club
- Publication in Conference Book of Abstracts – Society for Free Radical Research
- Publication in MACOSS 50th Anniversary Souvenir Magazine
- Publication in Government Services Employees Association souvenir magazine



- **Financial Assistance Scheme**

4 eligible applications for financial assistance (fire victim) have been entertained during the year.

## 9.7 PR activities and awareness campaign

The EWF PR Team participated in a list of activities as per the table below. The Open Day in Rodrigues is an annual event and was organized solely by the Fund.

S/N	EVENT	MONTH
1	University of Technology Open Days	Feb-15
2	University OF Mauritius Open Days	Feb-15
3	Université des Mascareignes Open Day	Feb-15
4	MBC TV "Reportage"	Feb-15
5	Radio Intervention (Kool Fm)	Mar-15
6	Open Day and Awareness Campaign in all Commissions in Malabar and Port Mathurin	Apr-15
7	Open University open DAY	Jun-15
8	Blood Donation	Oct-15
9	Family Day	Dec-15

## 9.8 Welfare Scheme– Loan for people with disabilities

A total of 7 applications were received during the year. However, only 5 were found eligible and a sum of Rs.1, 360,000 have been disbursed.

A continuous marketing of this scheme is being done among potential customers so that more and more employees benefit from the scheme.



## 10.0 HR Issues

### 10.1 Importance of our Human Capital

One of our strategic objectives is to put ‘people at the heart’ as they are our most important asset. Our aim is to continuously invest in our human resources to meet growing business challenges and address the need for innovation and service excellence for our valued customers. We are engaged to provide fairness and equity in all our HR policies.

Human resources are important to the organization in specific areas ranging from strategic planning to the organisation image. EWF strongly believes that the key element to attain its goals is its human resources. All through the year 2015, we have concentrated in the consolidation of the human resources aspects of the organisation in order to face the challenges ahead and attain its goal set at the start of the year “Service Excellence”

### 10.2 Performance Management System

The objective of PMS is to measure performance and to ensure alignment of staff goals with the organisation’s overall Strategic Plan. KPIs are used to observe the progress and measure actual results compared to expected results. It also provides a clear and concise “roadmap to success” for the organisation to achieve customer satisfaction. In addition it provides the foundation for Employee Goal-Setting, Performance Reviews and for continuous improvement and learning.

EWF is committed to reward its hard working and dedicated employees as the performance objectives is linked to the reward system.

EWF uses the Performance Management as a strategic management approach for monitoring how the business is performing. It has set the methodologies, metrics, processes, systems which are used for monitoring and managing the performance of the organisation and its people.

The Performance Management System is reviewed on a regularly basis to adjust to the organisation requirements and to make it become a more friendly tool to manage the whole process.

### 10.3 Training and Development

HR training and development is an essential step in forging employee aspiring leaders for supervisory and management roles.



Training and development also help employees to continuously upgrade their skills and competencies. The Employees Welfare Fund invests appropriately to give opportunities to the staff to follow relevant trainings to expand their knowledge and further develop their capabilities.

*The list of trainings and participants for the year 2015 is detailed below:-*

Training From January 2015 to December 2015					
S/N	Date Held	Training Course / Seminar/ Workshop/ Conference	Participants	No of Participant	Service Provider/Trainer
1	19, 21, 26, 28 May & 2 June 2015	Total Quality Management	Administrative Manager	1	MEF Management School
2	27 May –16 September 2015 (50 Hours) 17 Sessions	Human Resource Executive Programme	Higher Executive Officer	1	MEF Management School
3	08-Jul-15	GRI framework: Guidelines & reporting Process	GM	1	MIOD
4	06-Aug-15	Governance of Strategy	4 Board members	4	MIOD
5	19-Aug-15	GRI framework: Guidelines & reporting Process: Part II	GM	1	MIOD
6	11-Aug-15	Best Practice Guidance For Audit Committees	3 Board members	3	MIOD
7	03-Sep-15	Strategy Talent & Leadership for Growth	Deputy General Manager, Administrative Manager, Project Manager, Board Chairman and 1 member	5	National Productivity and Competitiveness council (NPCC)
8	10-Sep-15	Risk Management and Internal Control	Chairman	1	MIOD
9	28-Sept to 7 Dec 2015 (30 Hrs )	Proficiency in Stock Management , Stores organisation and Stock management	Administrative Assisitant	1	MEF Management School
10	5 & 6 Oct 2015	Leadership of High Performance Organisations (HPO's)	GM	1	Institute of Training and Development (Facilitator: KC Yan)
11	15-Oct-15	Employers Liability on Data Protection Laws	Technical Officer (Legal)	1	Geroudis Ltd
12	14-Nov-15	Service Workshop for Office attendants	Office Attendant and Office Worker	2	Maritim Institution
13	6,9,13,16,20 & 23 Nov 2015	Effective Business Communication	Confidential Secretary	1	Netsoft Ltd
14	28-Nov-15	Corporate Plan 2016-2019	All staff		Mr Clency APPAVOO

The organisation also organised several in house trainings on the loan conditions as refresher for the whole staff as and when the need has been felt. Induction training sessions have also been organised for the new recruits.



All staff had the opportunity to participate in a one day workshop on the Corporate Plan 2016-2019 at the Calodyne Sur Mer and had Mr Clency Appavoo as facilitator.

## 10.4 HR Manpower

The main initiative to expand our talent pool and support the strategic objectives for the year 2015 is to manage the daily operations of the HR Department and to ensure effective implementation of policies and procedures. In this respect, a Technical Officer (HR) was recruited in October 2015 to serve the organisation.

## 10.5 HR Manual

We have implemented the HR Policy Manual in 2015 to spell out the HRM Policy and vision. It also aims at consolidating our HRM Structures, systems and processes whilst it purports to create a conducive environment for innovation and creativity in the practice of HRM.

The HR Policy Manual is in fact a one stop reference guide on Human Resource Management issues for our practitioners.

**The main objectives of the HR Policy Manual are as follows:**

- Develop, formulate and state EWF management (HRM) Policy.
- Achieve consistency with respect to HRM policies, procedures and systems.
- Create greater awareness amongst managers and HR practitioners of the role and importance of sound HRM in EWF.
- Recommend the best practices in HRM

The HR Manual is intended for internal use within EWF and the main users are the General Manager, Administrative Manager, the Technical Officer (HR), the Higher Executive Officer, and other HR practitioners.

## 10.6 Well-Being of employees

The provision of adequate welfare arrangements is important to keep the workforce happy. Catering for the well-being of our staff has been one of our priority during this year to help in keeping the morale and the motivation of the employee high and also to help in the retention of staff for longer duration. The employee welfare entails all those activities which are directed towards providing the staffs with the facilities and services in addition to wages or salaries.

With a view to bring the staff together, the Staff Welfare Committee has organized different indoor and outdoor activities during the year 2015.

The EWF also believes in the richness of our Mauritian cultures and importance of sharing their cultural values among the staff. In this connection different cultural festivities such as Chinese Spring Festival,





Anniversary of the Independence Day, Eid Ul Fitr, Divali and Christmas have been celebrated among the staff.

## 10.7 Health and Safety

To continue in its mission to bring a health and safety culture within the organization, the EWF renewed the contract in 2015 of the Health and Safety Consultant who has put his expertise and experience to the benefits of the organization.

The Health and Safety Committee comprising of the representatives of the management and of employees supported by the Consultant has met on a regular basis and has been used as a platform for discussion and implementation of good health and safety practices so as to maintain a very conducive and safe working environment.

## 10.8 Environmental- Friendly practice

A greener workplace can mean a lighter ecological footprint and therefore a healthier and more productive place to work.

The “Going Green” Concept has digressed from a farfetched notion to a more practical consideration. Through our awareness campaign within the organization, the Going Green Concept is positively affecting the way the staff conduct themselves at work.

During the year 2015, we have continued the Go Green Champion which has motivated the employees to participate in “going green” initiatives. Save office energy by using laptops which are a more energy efficient option than desktop computers, emailing important documents and avoid printing where possible, turning off lights in our immediate proximity when we leave work and using energy efficient fluorescent bulbs instead of normal bulbs form part of the new established go green culture at the EWF.



## 11.0 Financial Highlights

### 11.1 Loan Schemes

Comparative Analysis of the number of applications received and amount of loans approved and disbursed

FINANCIAL YEAR	No. Of Clients	DISBURSEMENT	CUMMULATIVE DISBURSEMENT
1995	113	5,648,000	5,648,000
1996	444	49,150,000	54,798,000
1997	500	60,725,850	115,523,850
1998	432	52,204,900	167,728,750
1999	650	101,547,100	269,275,850
2000	651	132,130,500	401,406,350
2001	776	124,380,500	525,786,850
2002	878	163,872,150	689,659,000
2003	909	172,546,650	862,205,650
2004	757	165,359,000	1,027,564,650
2005	1133	213,787,000	1,241,351,650
2006	1878	420,952,500	1,662,304,150
2007	1133	238,223,000	1,900,527,150
2008	713	156,875,165	2,057,402,315
2009	716	195,097,245	2,252,499,560
2010	1130	269,875,500	2,522,375,060
2011	1506	435,238,915	2,957,613,975
2012	1272	363,942,282	3,321,556,257
2013	1551	420,016,475	3,741,572,732
2014	1914	524,974,134	4,230,404,265
2015	1497	478,453,867	4,708,858,132



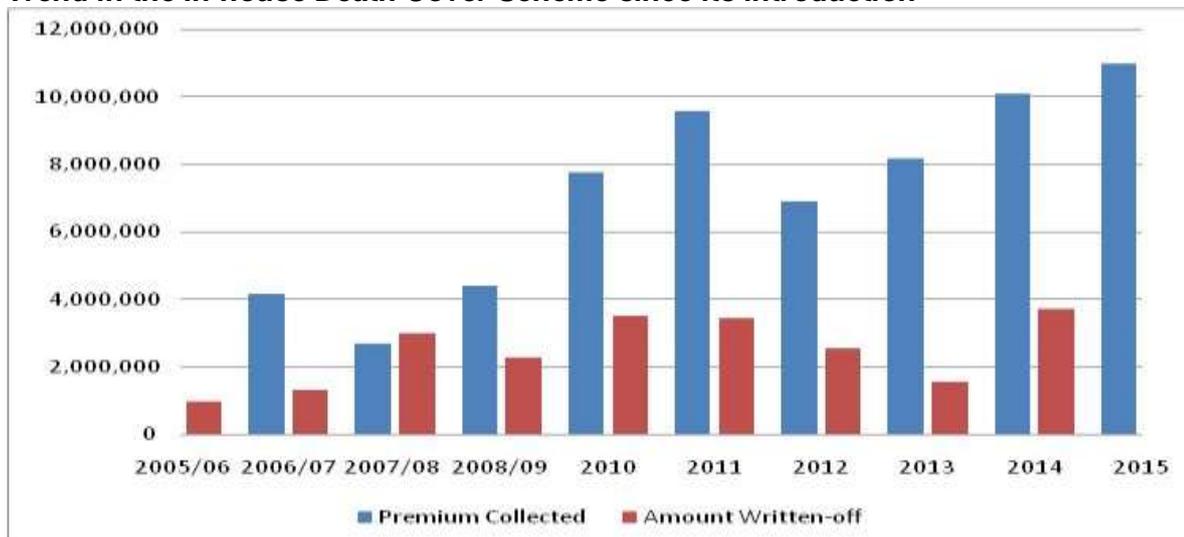


### 11.2 Analysis of the field of study and countries with respect to loans granted

	Accounting	Actuarial	Aviation	Business	Economics	Engineering	IT	Law	Management	Mathematics	Medical	Psychology	Science	Tourism	Others
Australia	5		2	17		19	8		2		2	1	4		14
Canada	7	4	3	6	1	48	4	1	3		2		5	3	15
China			1			1					10		1		2
Dubai														1	
France	1			1	9	1	3	2	1		8	1	5	1	7
Germany	1		2			8	2						3		2
Hungary											4				
India						1	1				4				7
Ireland									1						
Malaysia	2	5	1	7		14	2	7	1		4		1		6
Mauritania															1
Mauritius	24		1	32	4	22	17	15	38	2	8	5	4	21	76
Netherlands			1												1
New Zealand				1					1		1				
Reunion Island					1			1				2			
Romania											2				
Russia					1						1				
Singapore				1											
South Africa	1		1		2	6	1		2		3		1		6
Ukraine											1				
United Kingdom	12	1		3	3	9	2	15	5	5	2	2	5		11
USA					1	2							3		

### 11.3 In-house Death Cover Scheme

Trend in the In-house Death Cover Scheme since its introduction



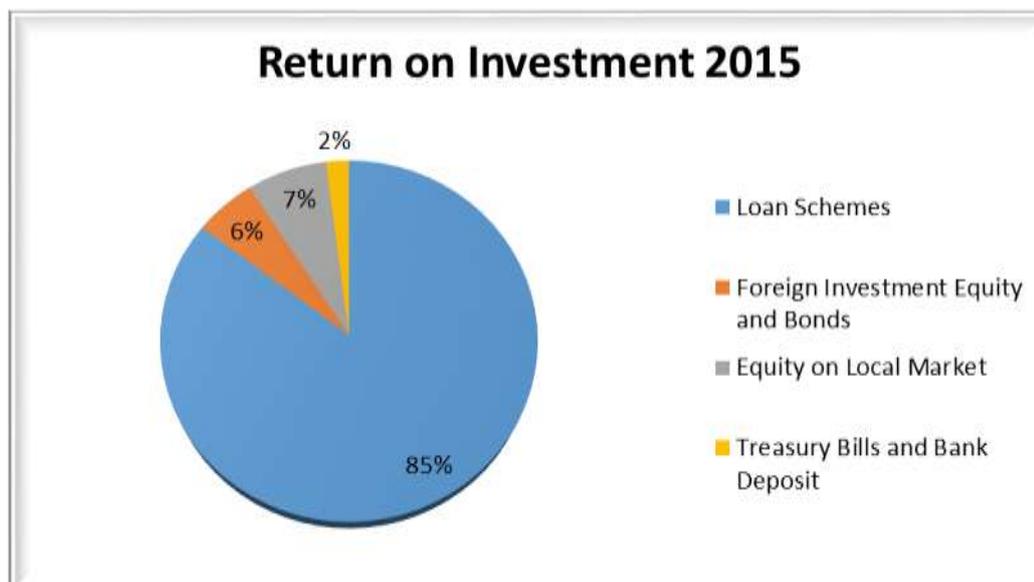
## 11.4 Investments

*Investments made were as follows:*

Investment Structure 2015	2015	
	Rs	%
<b>Loan Schemes</b>	1,711,399,571	83%
<b>Shares</b>	220,690,478	11%
<b>Foreign Investments</b>	132,284,335	6%
<b>Total</b>	<b>2,064,374,384</b>	

## 11.5 Return on Investments

Instruments	2015 (IPSAS)
<i>Loan Schemes</i>	110,353,627
<i>Foreign Investment Equity and Bonds</i>	7,098,591
<i>Equity on Local Market</i>	9,151,740
<i>Treasury Bills and Bank Deposit</i>	2,613,871
<b>Total</b>	<b>129,217,829</b>



## 11.6 Surplus & Net Worth

	IPSAS			
	2012	2013	2014	2015
<b>Net Surplus(Rs)</b>	92,475,642	88,186,958	76,943,782	70,542,026
<b>Fund Value(Rs)</b>	2,237,031,556	2,372,145,495	2,454,141,126	2,481,169,943





# Financial Statements

