

INFORMATION & COMMUNICATION TECHNOLOGIES AUTHORITY

Annual Report 2014

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NATIONAL CODE OF CORPORATE GOVERNANCE

The Corporate Governance Committee (CGC) ensures compliance with the National Code of Corporate Governance. During the year 2014, due to changes in the composition of the ICT Board in February 2014 and June 2014, the CGC was composed of different Members, as was the case for other sub-committees as well. The CGC comprised the following ICT Board Members:

Period:	Chairperson:	Members:
1 Jan 2014 - 21 Feb 2014	Mrs A. Seewooruthun	Mr S. Naidoo
		Mr A. Ramlugan
21 Aug 2014 – 27 Oct 2014	Mr M. Seebah	Mr K. Boodhoo Miss K. Mardemootoo
28 Oct 2014 - 31 Dec 2014	Mr M. Seebah	Mr K. Boodhoo Miss K. Mardemootoo Dr (Mrs) F. Driver

STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES

The responsibilities of the ICT Board Members are spelt out in the ICT Act 2001 (as amended) and include mainly implementing the policies regulating the various activities of the Authority. They ensure that the objects, powers and functions of the Authority are carried out in an effective, efficient and objective manner. The Board discharges its responsibilities either directly or through sub-committees duly appointed by the Board. The Board promotes openness, integrity, accountability to improve corporate behaviour, strengthen control systems over business processes and review management's performance on a regular basis. To fulfill their responsibilities, Board Members have access to accurate, relevant and timely information.

The ICT Board's responsibility includes designing, implementing and maintaining an appropriate internal control mechanism for the preparation and presentation of financial statements which reflect the true and fair financial position of the Authority in accordance with the International Public Sector Accounting Standards (IPSAS) and current regulations. It also entails selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances. Such systems ensure that all transactions are authorized and recorded and that any material irregularities are detected and rectified within a reasonable timeframe.

The Board Members confirm that they have complied with the above requirements in preparing the financial statements for the year ended 31 December 2014.

Chairman

Mr B. Beeharee

Board Member Mr G. Cathan

STATEMENT OF RISK MANAGEMENT PROCESSES

Credit Risk

The Authority is exposed to credit risk pertaining to the possibility of default by licensees in settling their licence fee claims. The Authority has set up adequate measures to shield against such risks; the terms and conditions set out in its major licences under the ICT Act 2001 (as amended) provides for licensees to furnish bank guarantees in favour of the Authority.

This provision mitigates the credit risk exposure of the Authority with regard to the recoverability of licence fees and the eventuality of material loss of revenue arising.

Liquidity Risk

This risk refers to the possibility of default by the Authority in meeting its obligations in the eventuality of the unavailability of funds to meet both operational and capital requirements. In order to ensure adequacy of its funds, cash flow forecasts are prepared periodically to identify any likely shortage of funds.

COMPOSITION OF THE BOARD

The ICT Authority is administered and managed by the ICT Board in accordance with the provisions of the ICT Act 2001. The ICT Board consists of the Chairperson, the representative of the Prime Minister's Office and five other Members appointed by the Minister.

Sub Committee:	Sub Committee: Period: Chairperson:		Members:		
	1 Jan 2014 – 21 Feb 2014	Mr N. Malleck	Mr A. Ramlugan Mr N. Khodabocus		
Audit Committee	21 Aug 2014 – 27 Oct 2014	Mr A. Ramgolam	Mr S. Rahman Dr (Mrs) F. Driver		
	28 Oct 2014 – 31 Dec 2014	Mr A. Ramgolam	Dr (Mrs) F. Driver Mr S. Rahman Mr M. Seebah		
	1 Jan 2014 – 21 Feb 2014	Mr S. N. Papaya	Mr T. Dwarka Mr N. Malleck		
USF Management Committee	21 Aug 2014 – 27 Oct 2014	Miss K. Mardemootoo	Mr S. Rahman Mr A. Ramgolam		
	28 Oct 2014 – 31 Dec 2014	Mr P. Boodhoo	Mr S. Rahman Mr A. Ramgolam Mr V. Reddi		
	1 Jan 2014 – 21 Feb 2014	Mr T. Dwarka	Mrs A. Seewooruthun Mr N. Khodabocus		
Staff and Remuneration Committee	21 Aug 2014 – 27 Oct 2014	Mr V. Reddi	Dr (Mrs) F. Driver Mr P. Boodhoo Mr M. Seebah Mr A. Ramgolam		
	28 Oct 2014 – 31 Dec 2014	Mr V. Reddi	Mr M. Seebah Miss K. Mardemootoo Mr A. Ramgolam Dr (Mrs) F. Driver		
External Engagement Committee	28 Oct 2014 – 31 Dec 2014	Mr V. Reddi	Mr P. Boodhoo Miss K. Mardemootoo Mr S. Rahman		

TERMS OF REFERENCE OF SUB-COMMITTEES UNDER ICT BOARD

AUDIT COMMITTEE

	Period:	Chairperson:	Members:
	1 Jan 2014 – 21 Feb 2014	Mr N. Malleck	Mr A. Ramlugan Mr N. Khodabocus
Audit Committee	21 Aug 2014 – 27 Oct 2014	Mr A. Ramgolam	Mr S. Rahman Dr (Mrs) F. Driver
	28 Oct 2014 – 31 Dec 2014	Mr A. Ramgolam	Dr (Mrs) F. Driver Mr S. Rahman Mr M. Seebah

The Audit Committee ensures that the Authority has a proper and effective internal control system. The main objectives of the Audit Committee are to:

- Evaluate the effectiveness of the system of internal controls;
- Identify and assess, through the Internal Controller, important risk areas and ensure that the critical risk areas are being effectively addressed by Management;
- Review internal audit plan to determine that internal audit objectives and goals provide for adequate safeguards and support the Audit Committee's objectives and goals;
- Meet with the internal and external auditors to review audit assignments carried out by them.

UNIVERSAL SERVICE FUND (USF) MANAGEMENT COMMITTEE

	Period:	Chairperson:	Members:
	1 Jan 2014 – 21 Feb 2014	Mr S. N. Papaya	Mr T. Dwarka Mr N. Malleck
USF Management Committee	21 Aug 2014 – 27 Oct 2014	Miss K. Mardemootoo	Mr S. Rahman Mr A. Ramgolam
	28 Oct 2014 – 31 Dec 2014	Mr P. Boodhoo	Mr S. Rahman Mr A. Ramgolam Mr V. Reddi

The USF Management Committee is responsible for the following:

- Advising on the management of the Universal Service Fund (USF) at the level of the Authority;
- Recommending to the ICT Board any amendments to be made to the structure and management of the USF, both at the level of the Authority and at national level;
- Dealing with regulations made by the Minister pertaining to the USF;
- Preparation of annual budgets and project plans for the USF as well as financial reporting for submission to the ICT Board.

STAFF AND REMUNERATION COMMITTEE

	Period:	Chairperson:	Members:
	1 Jan 2014 – 21 Feb 2014	Mr T. Dwarka	Mrs A. Seewooruthun Mr N. Khodabocus
Staff and Remuneration Committee	21 Aug 2014 – 27 Oct 2014	Mr V. Reddi	Dr (Mrs) F. Driver Mr P. Boodhoo Mr M. Seebah Mr A. Ramgolam
	28 Oct 2014 – 31 Dec 2014	Mr V. Reddi	Mr M. Seebah Miss K. Mardemootoo Mr A. Ramgolam Dr (Mrs) F. Driver

The Committee determines the Authority's general policies regarding remuneration and welfare of staff members and makes appropriate recommendations to the ICT Board.

ATTENDANCE AT BOARD AND COMMITTEE MEETINGS – YEAR 2014

	ICT Board	Audit Committee	Staff & Remuneration Committee	USF Management Committee	Corporate Governance Committee	
BOARD MEMBERS						
FROM 1 JAN 2014						
TO 21 FEB 2014						
TOTAL NO. OF MEETINGS	2	-	1	-	-	
Mr T. Dwarka						
Chairman	2		1			
(from 1 Jan 2014 to 21 Feb 2014)	2		I			
Mrs Chand Anandi						
Rye Seewooruthun						
Rep. of PMO	2		1			
(from 1 Jan 2014 to						
21 Feb 2014)						
Mr N. M. A.						
Khodabocus						
Board Member	1					
(from 1 Jan 2014 to						
21 Feb 2014)						
Mr A. Ramlugan						
Board Member	1					
(from 1 Jan 2014 to 21 Feb 2014)						
Mr S. N. Papaya						
Board Member						
(from 1 Jan 2014 to	2		1			
21 Feb 2014)						
Mr N. Malleck						
Board Member	•					
(from 1 Jan 2014 to	2					
21 Feb 2014)						
Mr A. Gordon-						
Gentil					\	
Board Member	1					
(from 1 Jan 2014 to						
21 Feb 2014)						

PROFILE OF ICT BOARD MEMBERS

Mr Trilock Dwarka, Chairman

Trilock Dwarka has been the Chairman of ICT Authority since 2005. He is also the Chairman of the Independent Broadcasting Authority and has also headed the National Cybercrime Prevention Committee. Mr Dwarka is a longstanding broadcast journalist. He was Head of News of the Mauritius Broadcasting Corporation from 1983 to 1991 before being appointed Director General of the MBC in 1996. In 1998 he initiated the process that led to the launching of DTT in Mauritius seven years later. He created Infotel Worldwide Services, a bulk data capture facility as well as Ring Me Services, a precursor to our call centres way back in 1992. Mr Dwarka has been involved, during his long career, at the level of executive committees of various regional and international organisations like CIRTEF, SABA, URTNA, CRASA and ARICEA among others. He has published various documents on broadcasting and has made contributions on DSO at the level of the CTO. He holds an MBA from Australia, a Fellowship from Syracuse University, USA and various diplomas in Journalism and Mass Communications.

Mrs Anandi Chand Rye Seewooruthun, Representative of the Prime Minister's Office

Anandi Chand Rye Seewooruthun, Permanent Secretary, Home Affairs, Prime Minister's Office has a long standing career in the public service. She has successively worked at the Ministry of Civil Service Affairs and the Ministry of Industry and Industrial Technology. She also occupied the post of Principal Assistant Secretary at Home Affairs, Prime Minister's Office since December 2000. Mrs Seewooruthun holds an MBA from Leicester Business School, UK (1994), a Masters in Public Sector Management from the University of Technology, Mauritius (2004) and a Cycle International d'Administration Publique (CIAP) Diploma from the Ecole Nationale d'Administration, France (2005).

Mr Yashwan Manick, Board Member

Yashwan Manick is the Lead Consultant for a consulting firm specializing in political, business and investment strategy. Mr Manick has been directly involved in political work in Europe, Africa and the USA. He has also consulted on several high profile business ventures in the EMEA region as well as advised on successful start ups. Previously, he was also the founder and managing director of a communication, design and advertising firm based in Mauritius. Mr Manick holds a liberal arts degree from an US Ivy League institution. He has been a Board Member since 2008.

Mr Sivapragasen Naidoo Papaya, Board Member

Sivapragasen Naidoo Papaya joined the Authority in March 2013. Mr Naidoo Papaya holds a Diploma in Co-operative Studies from the University of Mauritius. He was employed in the public service in the co-operative and education sectors. He has been involved in socio-cultural activities, as well as in journalism and trade unions.

Mr Alain Gordon Gentil, Board Member

Alain Gordon Gentil has had a long and fruitful career in the media. He has worked as a political analyst, editorialist and interviewer and has won a "Journalist of the Year" award. Mr Gordon Gentil was Press Office director at the Prime Minister's Office and was one of the senior advisers to the Prime Minister. He is a writer and has published several novels in France. His last novel, Devina won the "Revélations 2009" prize in Paris. Mr Gordon Gentil has also been a television documentary producer. His films have been screened and broadcast in Mauritius, France, Britain, Belgium and Japan. Mr Gordon Gentil has been a Board Member since 2008.

Mr Naushad M. A. Khodabocus, Board Member

Naushad Khodabocus has been a Board Member since 2005. Mr Khodabocus holds an MSc in Engineering from a UK institution and has a legal and financial background. He was formerly a Lecturer at the University of Mauritius. He is also a member of the Radio Frequency Monitoring Unit of ICTA and has attended various conferences of the International Telecommunication Union on radio frequency spectrum management. Currently, he is a Director of the consulting engineering firm.

Mr Naushaad K. Malleck, Board Member

Naushaad K Malleck has been a Board Member since 2008. Mr Malleck holds an LLB from the University of Buckingham and has done his Bar Vocational Course at the BPP Law School in London. He has been practising at the Bar of Mauritius and was at the Chambers of Sir Hamid Moollan Q.C until 2011. He is presently practising at his Chambers in Port Louis.

Mr Amaresh Ramlugan, Board Member

Amaresh Ramlugan has been a Board Member since 2005. Mr Ramlugan holds a Masters Programme in International Business, a Masters Degree in Marketing Management as well as an MBA in Financial Management. He was previously Head of Corporate Affairs - Barclays Bank (Mauritius) PLC and Head of Marketing & Communications for the State Bank of Mauritius (SBM) Group, having specialised in Financial Services Marketing over the years. Mr Ramlugan is also an Executive Committee Member of the UOM Trust Business School. He is registered with the Mauritius Qualifications Authority (MQA) as a resource person and has formed part of accreditation panels of the Tertiary Education Commission, the regulator for tertiary education in Mauritius. He has over ten years' training and facilitation experience and has MBA-level lecturing experience. He plays an active role in the community and has served as President of the Rotary Club of Phoenix (2011/12).

SENIOR MANAGEMENT PROFILE

Dr Mukund Krishna Oolun, B Tech (Hons), MSc, PhD, MBA, CEng, MIET, MIEEE, RPEM, AMIEM - Executive Director

Dr M K Oolun, Chartered Engineer of the UK Engineering Council, holds a First Class Honours in Electrical & Electronic Engineering from the University of Mauritius, an MSc with distinction in Digital Instrumentation & Imaging Systems from the University of Manchester Institute of Science & Technology (UMIST), UK, a PhD in Communications Engineering jointly from the University of Mauritius & UMIST, and an MBA in Information Technology Management from the University of Leicester, UK. Dr Oolun joined the Authority as an Engineer in 2000 before becoming Director of Engineering in 2002 and since 2005 has been Executive Director.

Mr Harish Bhoolah, FCCA - Director of Finance and Administration

Harish Bhoolah, Chartered Certified Accountant joined the Authority as Director of Finance and Administration in 2002. Mr Bhoolah is a Fellow of the Association of Chartered Certified Accountants. Before joining the Authority, Mr Bhoolah worked for more than eight years at Kemp Chatteris - Deloitte and Touche as supervisor and for two years as Accountant at Ireland Blyth Ltd.

Mr Trilok Dabeesing, MSc Computer Science, DEA Electronique - Director of IT

Trilok Dabeesing holds a Masters in Computer Science from the George Washington University, U.S.A, as well as a "Diplome D'Etudes Approfondies" in electronics from University of Lille, France. He joined the Authority as Manager of IT in October 2003 and was appointed as Director of the IT Department in August 2009. He was formerly the Head of Engineering Services from 1995 to 2003 at the Mauritius College of the Air.

Mr Jérôme Louis, B Eng (Hons), M Tel Eng, MRP (Telecom), C Eng, MIET, MIEEE, RPEM - Director of Engineering

Jerome Louis, Chartered Engineer of the UK Engineering Council holds a Masters in Regulation and Policy (Telecommunications) from the University of West Indies, Trinidad and Tobago, a Masters in Telecommunications Engineering from University of Melbourne, Australia, as well as a BEng (Hons) from the University of Mauritius. He joined the Authority as Trainee Engineer in February 2003 and was appointed Manager – Engineering and Licensing Department in July 2003. He was appointed Director of Engineering in December 2004.

Mr Benjamin L. Moutou, MA (International Relations), Bsc (International Business), Dip Business Management, Dip in Human Resource Operations - Director of Marketing and Communications

Benjamin Laval Moutou joined the Authority as Director of Marketing and Communications in 2012 and holds an MA in International Relations from Monash University, Australia, a BSc in International Business as well as a double Diploma in Business Management and Human Resource Operations. Prior to his appointment he worked as a part time lecturer at the University of Mauritius teaching World Politics and had regularly contributed to articles in newspapers and magazines in Mauritius. Benjamin Moutou has also worked extensively in the international banking and finance sector in Melbourne, Australia prior to joining the ICTA.

RELATED PARTY DISCLOSURES REMUNERATION PAID TO BOARD AND COMMITTEE MEMBERS

Key management are persons having authority and responsibility for planning, directing and controlling the activities of the Authority. During the year, the total remuneration of key management was as follows:

Allowances paid to ICT Board and Internet Management Committee Members Directors

2014	2013
Rs	Rs
4,217,916	5,300,548
12,875,390	12,044,109
17,093,306	17,344,657

STAFF LOANS

Staff loans include auto cycle and car loans which are refundable in 60 and 84 equal monthly instalments respectively, and bear interest at the rate of 4% per annum. The above also include educational loans and soft loans to staff members refundable in 60 and 24 equal monthly instalments respectively. Interest on educational and soft loans is charged at the annual rate of 5% and 4% respectively.

Receivable within 1 year Receivable after 1 year		2014	2013
Receivable within 1 year 1,294,701 972,957		Rs	Rs
	ening Balance of Ioan: -		
Receivable after 1 year 2,403,807 2,480,279	eivable within 1 year	1,294,701	972,957
	eivable after 1 year	2,403,807	2,480,279
Loans granted during the year 1,065,425 1,404,000	ns granted during the year	1,065,425	1,404,000
Loan Installments Received (1,593,486) (1,158,728)	Installments Received	(1,593,486)	(1,158,728)
Closing Balance 3,170,447 3,698,508	ing Balance	3,170,447	3,698,508
Receivable within 1 year 1,337,309 1,294,701	sivable within 1 year	1,337,309	1,294,701
Receivable after 1 year 1,833,138 2,403,807	eivable after 1 year	1,833,138	2,403,807
3,170,447 3,698,508		3,170,447	3,698,508

MANAGEMENT OF THE POSTAL AUTHORITY

In terms of the provisions of the Postal services Act 2002, the Members of the ICT Authority shall be deemed to be and, constitute the Members of the Postal Authority. Accordingly, the Postal Board comprises Members of the ICT Board.

CONFLICTS OF INTEREST

Any Member who has any direct or indirect pecuniary or other interest in a matter being considered or about to be considered by the Board, is required by law to forthwith disclose the nature of his interest to the Board and to abstain from being present during any deliberation and decision process of the Board in respect of that matter.

VALUES

- **Professionalism**: to demonstrate high-level professionalism in our day-to-day initiatives in relation to the business of the Authority and achieve continuous self-improvement.
- Responsibility: to speak up and report concerns about the ICT regulatory frameworks and laws, and seek clarification and guidance whenever there is doubt.
- **Commitment**: to develop the right attitude towards the job we undertake, encourage individual initiative and express our dedication in achieving our objects and function.
- Honesty: to be truthful in all our endeavours, to be honest and straightforward with one another
 and with our policy makers, communities, licensees, operators and service providers.
- Integrity: to express what we mean, to deliver what we promise and to stand for what is lawful.
- **Respect**: to treat one another with dignity and fairness, appreciating the diversity of our workforce and the uniqueness of each employee.
- Trust: to build confidence through framework and open and frank communication.

ICT AUTHORITY ETHICS POLICY

Overview

The overall aim of the ethics policy is to establish a culture of openness, trust and integrity in business practices. Effective ethics entails a team effort involving the participation and support of every employee of the ICT Authority. All employees should familiarize themselves with the ethics guidelines that follow this introduction.

The ICT Authority is committed to protecting employees, partners, vendors and the company from illegal or damaging actions by individuals, either knowingly or unknowingly. By addressing issues in a proactive manner and exercising correct judgment, the ICT Authority can stand out as an example amongst its counterparts. As such the ethics policy provides the scope for the Authority to take appropriate and prompt action to deal with any wrongdoing or impropriety. Appropriate measures will be taken to act quickly in setting matters right should the ethics standards be deemed to have been flouted. Any infraction of this code of ethics will not be tolerated.

2. Purpose

The decision of the ICT Authority to make available a publication on ethics is to emphasize the employee's and customer's respective expectations to be given fair treatment in the dispensation of the ICT Authority's business and to ensure standards are maintained in business practices. The ethics policy will serve to guide business behaviour to ensure ethical conduct.

3. Scope

3.1 Executive Commitment to Ethics

- 3.1.1. Senior Management must set the example. In the dispensation of their duties, as such, honesty and integrity are expected to be the guiding principles and a priority for executives.
- 3.1.2 Executives must have an open door policy and welcome suggestions and concerns from employees. This will enable employees to feel comfortable to bring up and discuss any issues of pressing concern to them. Such openness will also allow executives to become aware of the matters which preoccupy staff.
- 3.1.3. Executives must disclose any conflict of interests regarding their respective positions within ICT Authority.

3.2 Employee Commitment to Ethics

3.2.1 ICT Authority employees are expected to treat each other fairly, show mutual respect, promote a team environment and avoid the intent and appearance of unethical or compromising practices.

- 3.2.2 Every employee needs to apply effort and intelligence in maintaining ethical standards.
- 3.2.3 Employees must disclose any conflict of interests regarding their respective position within the ICT Authority.
- 3.2.4 Employees will fully support the ICT Authority to increase customer and vendor satisfaction by providing quality products and timely responses to inquiries.

3.3 Company Awareness

- 3.3.1 Promotion of ethical conduct within interpersonal communications of employees will be rewarded.
- 3.3.2 ICT Authority will promote a trustworthy and honest atmosphere to reinforce the vision of ethics within the company.

3.4. Maintaining Ethical Practices

- 3.4.1 The ICT Authority will reinforce the importance of integrity in its internal and external dealings with top management leading by example. Every employee, manager and director needs to show consistency in maintaining an ethical stance and to support ethical behaviour.
- 3.4.2 Employees of the ICT Authority are to encourage open dialogue, obtain honest feedback and treat each other fairly, with honesty and due objectivity.
- 3.4.3 The ICT Authority has established a best practice disclosure committee to make sure the ethical code is available to all employees to make it possible to address genuine grievances regarding the implementation of the code.

3.5 Unethical Behaviour

- 3.5.1 The ICT Authority will at all cost avoid situations whereby the intent and appearance of unethical or compromising practices in relationships, actions and communications can occur.
- 3.5.2. The ICT Authority will not, under any circumstances, tolerate any form of harassment or any form of discrimination in accordance with laws.
- 3.5.3. The unauthorized use of company trade secrets and marketing, operational, personnel, financial, source code and technical information integral to the success of the organization will not be tolerated under any circumstances.
- 3.5.4. Impropriety will not be permitted at any time at the ICT Authority and all employees will act ethically and responsibly in accordance with laws.
- 3.5.5. ICT Authority employees will not use corporate assets or business relationships for personal use or gain.

4. Enforcement

- 4.1 Any infractions of the code of ethics will not be tolerated and corrective measures will be taken quickly whenever the ethical code has been flouted.
- 4.2.1 Any employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

SPONSORSHIPS AND DONATIONS

Beneficiary:	Details	Amount
National Computer Board	Contribution to National ICT Expo 2014	100,000-
Union Tamoule de Maurice	Contribution to Cultural Celebration	10,000-
Mr Rayapen Hasley	Contribution to Intelligent Mauritius Project	50,000-
MICT Staff Association	Contribution to kermesse lucky draw - 1 mobile phone	3,990-
National Computer Board	Contribution to Infotech 2014	100,000-

Technical Regulation – Radiocommunication/ Telecommunication

- Electro Magnetic Field Safety (EMF)
- Enterprise Resource Planning System

MORE FLEXIBILITY FOR OPERATORS WITH REVISED EMF SAFETY STANDARD

The regulation of the telecom infrastructure which allows operators to set up and operate their network is one of the many functions of the Authority under the ICT Act 2001 (as amended). To better address this function, the Authority first published the Radiocommunication Infrastructure Technical and Administrative Standard for Electromagnetic Field (EMF) safety on 23rd March 2011. The Standard came into effect on 1st September 2011. The need for a mandatory Standard for Radio Frequency had been felt because of growing public concern over the potential hazards to health from RF emissions from radio communications infrastructure.

The Application to the ICTA for authorisation for installation of a new site, or for modification of an existing site as well as the application of the precautionary approach to site operation are some of the sections which are under review for the revised version of the standard.

To address the issues which have come up since 2011, the ICT Authority conducted two rounds of public consultations on the EMF Safety Standard in 2014: in February and August respectively. The Standard was revised after the first set of submissions obtained from stakeholders in the February consultation. Operators had made it known that existing procedures had placed a burden on their network coverage because of the length of time it sometimes took to obtain necessary authorisations. The February consultation proposed changes to the following sections of the standard:

- i. General amendments to: Sections 6.3 and 6.4 of the Standard.
- ii. Inclusion of a Set of Guidelines for Compliance with EMF safety standard as Annex C.
- iii. Modifications to application form for authorisation as Annex D.
- iv. Amendments to Annex E of the Standard regarding Signage.

The revised Standard went through a second public consultation exercise in August. The three mobile operators and one member of the public gave their submissions.

The revised Standard has enabled licensed operators to install Fixed Radiocommunication Infrastructure based on a principle of self-declaration. The authorisation process for setting up of base stations has become more flexible reflecting the trends of fourth generation regulation.

In setting up this more flexible regime, the ICTA will continue to monitor and conduct necessary audits on Radiocommunication infrastructure to ensure compliance with the declaration made by operators. The Standard adopts certain key principles amongst which are the precautionary approach and consultative process prior to deployment of Radiocommunication infrastructure.

The EMF Safety Standard also provides the public with a pathway to channel complaints they may have pertaining to telecommunication infrastructure such as base stations.

ENTERPRISE RESOURCE PLANNING SYSTEM

Implementation of the Enterprise Resource Planning System

To computerise the activities of the Finance and Procurement department at the ICT Authority, an Enterprise Resource Planning (ERP) software with workflow management was implemented. The software solution (Microsoft NAV Dynamics 2013 R2) was tailored to the Authority's business needs and includes functionalities such as General Ledger, Accounts Payable, Accounts Receivables, Purchasing module, Requisition process, Payroll, Asset Management, Inventory Control and Analysis reporting. Working sessions between the Authority and the supplier started in mid 2013 and the solution was fully operational by the end of 2014.

The ERP solution was successfully completed with the collaboration of the Information Technology and the Finance and Administration departments.

Communication and Marketing

- An e-Commerce Trust Seal proposed to boost consumer confidence
- Mauritius First Country to use OCSARP
- Mauritius gets 48th rank in Global Information Technology Report 2014
- Digital Terrestrial Television Migration: A common approach for SADC member states
- The ICTA engages with ICT partners from Tanzania and the Seychelles
- ICTA Chairperson nominated 2nd Vice President of CTO

An e-Commerce Trust Seal proposed to boost consumer confidence

There is growing interest amongst Mauritian consumers who want to benefit from the choice and competitive prices of e-commerce. Many of the online stores are registered outside of Mauritian territory. But increasingly local traders want to tap into the e-commerce market and set up an e-business.

One of the risks to local consumers is that problems may arise in transactions be they with regards to payments, refunds or faulty goods.

How can local consumers buying from locally registered e-traders be given some degree of confidence that they are getting a good deal?

It was to address this that on 26th February, the ICT Authority launched a Public Consultation Exercise on the Mauritian e-Commerce Framework.

The aim of the public consultation was to garner the views of the wide set of players in Mauritius with a stake in boosting or benefiting from e-Commerce.

As part of the e-Commerce Framework, the ICTA proposed a scheme whereby consumers would be confident about the security of transactions on websites registered in Mauritius.

The Framework was to provide for the creation of an Online Shopping Trust Seal scheme. The Trust Seal would be represented by a logo on the websites of e-traders registered in Mauritius. The Trust Seal scheme would be a voluntary one. As such e-traders would display it on their websites in a bid to attract more customers.

e-Traders would qualify for the Trust Seal and would have had to comply with a Code of Conduct and applicable laws. Any e-trader found to be flouting the Code of Conduct would no longer have the right to use the Trust Seal.

The consultation paper on the e-Commerce Framework addressed the following issues: Intellectual Property Rights, Personal Data Protection and Consumer Protection.

The Public Consultation was extended by a month to gather the views of the maximum stakeholders. The proposed Trust Seal Scheme was seen as a logical and complementary element to the Public Key Infrastructure (PKI). PKI is already in place in Mauritius and is designed to guarantee the validity of the range of electronic transactions.

Mauritius First Country to use OCSARP

A report by the Internet Watch Foundation said Mauritius was the first country to put in place an Online Child Sexual Abuse Reporting Portal [OCSARP]. The IWF is a UK-based agency which works to eliminate online images of child sexual abuse and videos. The foundation works with international agencies like the International Telecommunications Union and Interpol. In October 2013, the ICT Authority and the Ministry of the Information and Communication Technology launched the OCSARP in partnership with the IWF. The portal can be accessed on the website of the ICT Authority where an online form can be filled in.

The OCSARP enables Internet users in Mauritius to report any websites depicting child sexual abuse (CSA) which is illegal. To encourage reporting CSA content, the OCSARP also enables the persons reporting such sites to remain anonymous should they so wish. As such the portal provides a platform for the community of Internet users to proactively participate in the overall efforts to make the Internet safer. Once a potential CSA site is reported through the OCSARP, the IWF will investigate and will take down the site. Should a CSA site be hosted in Mauritius, it will be reported to the police and the local ISP will also be asked to take down the site.

If the site is hosted overseas, the IWF will work with its international network of partners to remove the site.

Mauritius gets 48th rank in Global Information Technology Report 2014

Mauritius was ranked in 48th position in the 13th edition of the Global Information Technology Report. The report, published by the World Economic Forum, in partnership with INSEAD was released in Geneva in April 2014.

The 2014 Report featured the results of the Network Readiness Index articles on the factors and impacts of network readiness. The report also provides an overview of the current state of ICT readiness in the world.

2014's report covered 148 economies, representing 98 percent of global GDP. The NRI value for Mauritius was 4.31; this compared with the NRI value of 4.12 in 2013 when Mauritius was ranked in 55th place. The NRI comprises four sub-indexes which are averaged to produce the NRI score out of a total of 7. Among the sub-indexes are the political and regulatory environment on which the actions undertaken by the ICT Authority have a direct impact.

Digital Terrestrial Television Migration: A common approach for SADC member states

In 2014 representatives of the ICT Authority and the Ministry of ICT met with officials from the Southern African Development Community's (SADC) ICT Secretariat to take stock of the progress Mauritius has made in the SADC's DTT Migration Roadmap.

Although the switchover period had been set to start by the end of 2013, Mauritius had already established itself as a pioneer of the DTT revolution with three multiplexes of channels introduced for Mauritian television broadcasting between 2005 and 2011.

While no deadline has yet been set for full migration, the most recent figures and survey/s showed that up to 80% of Mauritians already have a set-top box, with digital channels being a favourite among viewers, particularly due to new Kreol and Bhojpuri content.

The Roadmap was also designed to view migration to digital TV as a regional effort, one that would promote regional content-sharing, as well as a common technological standard.

As for Mauritius, still leading the way in this SADC project, plans have already been made for the 2nd migration process, shifting from DVB-T1 to DVB-T2 and from MPEG- to MPEG-4, a move that will allow television broadcasting in Mauritius to follow the global trend towards a greater choice of television channels, higher definition, and optimum spectrum utilisation.

The Authority engages with ICT partners from Tanzania and the Seychelles

The ICT Authority played host to two regional delegations, welcoming representatives of the Tanzania Private Sector Foundation (TPSF) on 19th May 2014, as well as officials from the Seychelles Department of ICT on 25th September 2014.

The TPSF delegation was commissioned to use this opportunity to draw from Mauritian experience in the use of ICTs to improve transparency and reduce corruption across borders. TPSF delegates and ICTA representatives were able to discuss the opportunities and quick-win measures that both their private and public sector institutions may adopt in Tanzania's ICT regulatory structure.

The Tanzanian delegation was led by Mr. Adam Gahhu, Policy Analyst and included Mrs. Sophie Mgaiwa, Software Database Expert and Dr. J. Kyazuri, Business Analyst and Systems Engineer. Their visit was part of a study tour hosted by the Board of Investment from 19th to 22nd May 2014.

The TPSF is the apex body and focal point for private sector organisations in Tanzania. Its core objective is to advocate favourable policies and necessary reforms to improve and sustain the business environment and investment climate in Tanzania.

In September, the ICTA received a two-member delegation from the Department of ICT, Seychelles under the 10th Session of the Seychelles-Mauritius Commission on Bilateral Cooperation.

Mr. Benjamin Choppy, Permanent Secretary of the Department of ICT, and Mr. Patrick Moustache, Senior Telecommunication Engineer, explained that their visit to the Authority was intended to take stock of the Mauritian regulator's experience and perspectives on pertinent issues such as Spectrum Management, Quality of Service, Public Key Infrastructure, Universal Service Fund and Training amongst others.

A working session was held on 25th September when the Authority's management and technicians were able to discuss various ICT matters with the two officials from the Seychelles. Mr. Choppy and Mr. Moustache also had the opportunity of meeting with various other stakeholders and of attending several related events.

ICT Authority Chairperson nominated 2nd Vice President of CTO

Under its mandate to "act internationally as the national regulatory body of Mauritius in respect of information and communication technologies matters," (Section 18e, ICTA Act 2001), the ICTA has been actively pursuing its engagement with international and regional partners.

The Authority established a landmark status at the last Commonwealth Telecommunications Organisation (CTO) Council Meeting which took place in, Bangladesh in early September 2014. ICTA Chairman, Mr. Vimalen Reddi, was nominated 2nd Vice President of the CTO.

Over 200 delegates from Commonwealth countries, including Mauritius, were convened to attend the CTO Forum 2014 in Dhaka, held from 8th to 12th September 2014. This annual event, which was held in Bangladesh for the first time, was hosted by the Ministry of Posts, Telecommunications and Information Technology of Bangladesh and the Bangladesh Telecommunication Regulatory Commission.

The CTO is the oldest and largest membership organisation in the field of information and communication technologies (ICTs).

From 22nd and 24th September, the ICTA also chaired the 24th Executive Committee Meeting of the Association of Regulators of Information and Communication for Eastern and Southern Africa (ARICEA).

ARICEA is the regional offshoot of COMESA which brings together regulators and associate actors in the ICT sector in the Eastern and Southern African region.

Social Regulation

- Public Awareness raised on Type Approval Process
- Consumer Complaints handled by the Authority
- Guidelines for parents published on Safer Internet Day 2014
- ICTA engages with the Community
- ICTA pursues advocacy in ICTs for Disaster Management
- National Multi-Hazard Early Warning and Emergency Alert System
- Visit to Agalega to assess need for Information and Communication Services
- Public Notices

Public Awareness raised on Type Approval Process

The Authority published a guide to raise awareness about its Type Approval process and also published a communiqué in local newspapers.

The aim was to provide more information to members of the public about the authorisation process for bringing in wireless devices from abroad into the Republic of Mauritius. It is the ICT Authority which issues the Type Approval certificate and/or authorisation.

Mobile phones, tablet PCs, cordless phones, wireless routers, walkie-talkies and marine radios are examples of wireless devices.

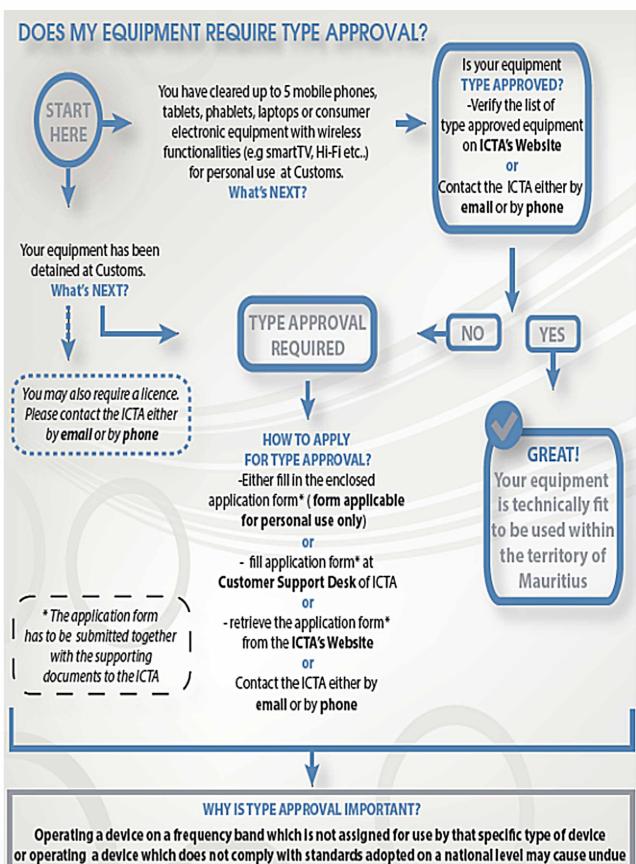
Wireless devices require the use of radio frequencies in order to operate. Operating a device on a frequency which is not planned/ intended for use by that specific type of device or operating a device which does not comply with relevant standards may cause undue interference with other devices.

Furthermore, devices which are below standards may pose a safety hazard or hinder the correct operation of other electronic appliances in your home.

Therefore, before purchasing any apparatus that uses Radio Frequency, the type approval process of the Authority requires the documented evidence that these devices comply with International or European standards. The said documentary evidence must confirm the 'make' and 'model' of the apparatus being purchased/brought in. Authorisation will enable the devices to be brought into the country and ensure the safety of end users.

The comprehensive list of established technical standards for wireless devices can be consulted on http://www.icta.mu/telecommunications/std.htm

Information on Type Approval: a public information leaflet



Operating a device on a frequency band which is not assigned for use by that specific type of device or operating a device which does not comply with standards adopted on a national level may cause undue interference to other devices. Furthermore these devices may cause safety hazards or be a hindrance for correct operation of other electronic appliances.

Consumer Complaints handled by the Authority

Consumers form an essential part of the ICT landscape and their take up of products and services by the licensed operators of the Authority gives an indication of the buoyancy of the sector.

The Authority's commitment to consumers falls under its social regulation engagement.

The Department of Marketing and Communications acts as the interface between the Authority and the public or consumers providing information and guidance about complaints consumers might have as subscribers.

The charts provide a snapshot of the types of complaints which are channeled to the Authority. Consumers are guided to make their grievances known through a process whereby the appropriate authorities are contacted on their behalf.

In addition, the Authority also handles queries about services it offers such as Dealers' Licence applications or Type Approval certificates. The queries also span a wide range of requests for information about the radiofrequency spectrum which the Authority manages under its Radiocommunications body of work; the use of the Internet and ICT laws amongst others.

Table 1: Consumer Complaints handled by the Authority from 1st January – 31st December 2014

	Complaints:	Jan - March	Apr - June	Jul - Sept	Oct - Dec
		2014	2014	2014	2014
1	Billing	0	1	0	0
2	EMF	2	3	3	4
3	Internet Related	26	17	27	12
4	Legal/Security	1	2	1	4
5	Provision of Service	9	24	42	37
6	Postal Services	0	0	0	0
7	Others	8	6	14	5

Table 2: Snapshot of categories of complaints handled for the First Quarter

Complaints:	Jan - March 2014
Billing	0
EMF	2
Internet Related	26
Legal/Security	1
Provision of Service	9
Postal Services	0
Others	8

Chart 1: Snapshot of categories of complaints handled for the First Quarter

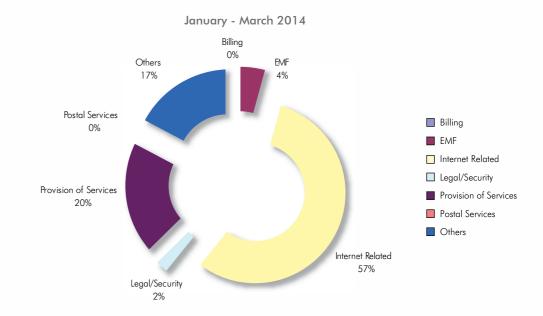


Table 3: Snapshot of categories of complaints handled for the Second Quarter

Complaints :	Apr - June 2014
Billing	1
EMF	3
Internet Related	17
Legal/Security	2
Provision of Service	24
Postal Services	0
Others	6

Chart 2: Snapshot of categories of complaints handled for the Second Quarter



Table 4: Snapshot of categories of complaints handled for the Third Quarter

Complaints :	Jul - Sept 2014
Billing	0
EMF	3
Internet Related	27
Legal/Security	1
Provision of Service	42
Postal Services	0
Others	14

Chart 3: Snapshot of categories of complaints handled for the Third Quarter

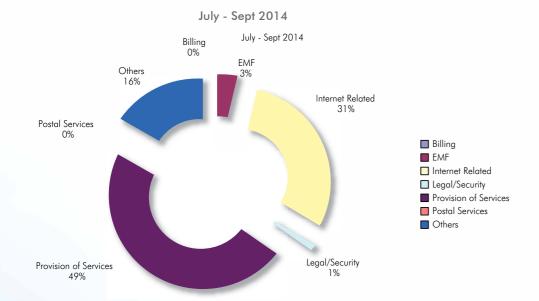


Table 5: Snapshot of categories of complaints handled for the Fourth Quarter

Complaints:	Oct - Dec 2014
Billing	0
EMF	4
Internet Related	12
Legal/Security	4
Provision of Service	37
Postal Services	0
Others	5

Chart 4: Snapshot of categories of complaints handled for the Fourth Quarter

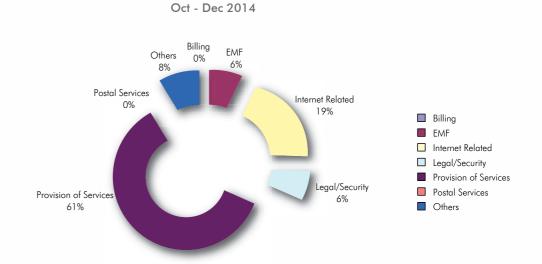
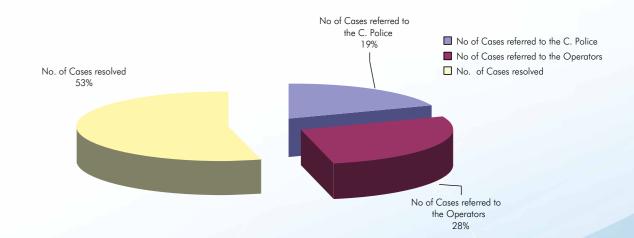


Table 6: Status of Complaints entertained for the year 2014

Status of Complaints Jan - Dec 2014			
No. of Cases referred to the Police	54		
No. of Cases referred to the Operators	79		
No. of Cases resolved	154		

Chart 5: Status of Complaints entertained for the year 2014

Status of Complaints - Jan - Dec 2014



Guidelines for parents published on Safer Internet Day 2014

As much as the Internet is a platform and tool for interaction in a number of spheres of life, it is also a risk especially to minors who may come across inappropriate content and behaviour. Internet Safer Day marked on 11th February each year draws attention to the issues of online safety. In 2014, the ICT Authority participated in Internet Safer Day with the publication of a set of guidelines in local media aimed at parents and adults. Parents are often at a loss as to how to ensure that their children are not exposed to online content which may be inappropriate, harmful or even illegal.

The ICT Authority, with the collaboration of the Ministry of Information and Communication Technology, published a set of tips in local newspapers. The guidelines were drawn up with the collaboration of the parent ministry.

Safer Internet Day promotes the safe and responsible use of online technology and mobile phones especially in the interest of children and young people. The tips published by the Authority highlighted the various ways in which parents can support children in developing safe and responsible behaviour online through Netiquette. Netiquette consists of safe and sound habits to apply when interacting with others while using platforms like websites, emails, newsgroups, message boards, chat rooms or social networking sites.

ICTA engages with the Community

In March, the ICT Authority was invited to participate in an exposé organised by the Ministry of Gender Equality, Child Development and Family Welfare at the Grand Bay Social Centre on the theme of "La Technologie: Un bien ou Un mal".

The event brought together primary school students, their teachers and parents and community leaders.

An overview was given on safer use of the Internet and the measures undertaken by the Authority to contribute to the wider efforts to inform consumers about putting technology to good use. Copies of DVDs produced by the Authority containing guidelines on mobile phone theft prevention, EMF Safety, the Internet, cyber safety and other topics were distributed.

The adults looking after the welfare of the young audience were also given a number of tips on the safe use of the Internet.

ICT Authority pursues advocacy in ICTs for Disaster Management

Since 2009, the ICT Authority has been at the forefront of advocating the use of ICTs in Disaster management. In July 2014, the Authority was invited to participate in a workshop organised by the National Disaster Reduction and Risk Management Centre (NDRRMC). It was an opportunity for the ICT Authority to underline its commitment to ICTs for Disaster Management (ICT4DM).

The ICT Authority's presentation at the workshop highlighted the crucial role of ICTs in managing disasters (ICT4DM) in Mauritius. The Authority was commended by workshop participants for placing ICT4DM in the public domain and for successfully drawing from regional and international expertise and experience in the subject.

The ICT Authority's engagement with this important issue began in 2009 when it hosted the first ICT4DM workshop in Mauritius. This was followed by a second workshop in 2011 which received 115 participants and where the Authority strongly advocated the need to disseminate information on ICT4DM amongst the relevant stakeholders in Mauritius. Backed by the Commonwealth Telecommunication Organisation and in collaboration with the Ministry of Information and Communication Technology, the workshops received encouraging multi-stakeholder participation ranging from policy-makers to civil society.

Among the main issues which emerged during the ICT4DM workshops organized by the Authority, was the need for a central organ to oversee disaster management in Mauritius. A Global Log Frame methodology to garner contributions from a cross section of stakeholders was used. Other main considerations involved how ICTs can be used in disaster management cycles of preparedness, mitigation, relief, response and recovery.

One of the tangible contributions of the Authority in the field of ICT4DM has been the updated Global Log Frame to reflect the contribution of policy makers, telecommunication operators, civil society as well as the private sector.

National Multi-Hazard Early Warning and Emergency Alert System

The Board was asked to consider the submission regarding the National Multi-Hazard Early Warning and Emergency Alert System. The submission included a request for funding by the Prime Minister's Office. The Authority was to approach the Commonwealth Telecommunications Organisation (CTO) to provide the services of a consultant to plan, design and implement the early warning system. The Board was to also consider funding the costs in relation to the consultancy fees.

The Board took note of the background of the project. The Board also noted that this project had a public interest and national security dimension.

Visit to Agalega to assess need for Information and Communication Services (ICS)

To maximize the development potential of Outer Islands within the Republic of Mauritius, one of the budgetary measures announced by the Ministry of Finance and Economic Development (MOFED) and endorsed by the Ministry of Information and Communications Technology (MICT), was to connect Agalega to the Internet.

The Island of Agalega is connected to mainland Mauritius via Satellite Bandwidth capacity of less than 1Mbps. This serves around 400 inhabitants. Emtel Ltd and Mauritius Telecom Ltd are the two operators which currently provide service to citizens living in Agalega. However, fixed Internet is not available through the mobile Internet. The main use of the bandwidth capacity is for data usage.

Further to a request from the parent ministry, two members of staff from the ICT Authority conducted a site visit. They visited the premises of the existing operators' infrastructure in accordance with the provisions of Section 18(1) (a), (d) and (w) of the ICT Act 2001 (as amended). Throughout this visit they were able to assess the current status of telecommunication services on the island. The assessment would determine whether the project would ensure that Information and Communication Services (ICS) which are essential to social and economic inclusion, are available to the inhabitants of Agalega as well as to address specific market failures in an efficient way.

An increase in satellite bandwidth by both operators may resolve the issue of low speed/capacity internet access by either providing-Broadband Internet via fixed ones or through 3G+ mobile.

One of the main recommendations of the mission report is that the provision of Broadband Internet by mobile network would better suit the requirements of the inhabitants of both the North and South Islands of Agalega.

Public Notices and Communiqués

The Authority has to fulfill a statutory requirement to give public notice of the application for licences for the provision of commercial services and also for tariff approvals. Throughout the year, public notices are published in local newspapers and on the Authority's website as required by Law as set out in the following paragraphs.

In addition, communiqués to inform the public about decisions or information of relevance are also published when required.

Table 7: No of Notices Published

Types of Public Notice	No. of Notices published for the period of Jan- Dec 2014
Application for Licences	46
Communiqués	2

Service Regulation

- Licences Granted and Renewed
- Directives and Decisions

Licences Granted and Renewed

Under Section 24 of the ICT Act, the ICT Authority has the statutory duty to receive applications for licences by any person and to make a determination thereon. During the financial year January – December 2014, a total of 47 licences were either granted or renewed; the details are provided in the table below.

Table 8: Licences granted and/or renewed for the following licensees

Type of Licence	Licensees	Total
Dealer's Licence	1. Bluverre Technologies Ltd	
	2. Flamboyant Marketing Co Ltd	
	3. Navigation and Geocoding Technologies Ltd	
New Applications	4. Technik Meisterkraft Ltd	
	5. e-Publication and Commerce Ltd	
	6. Mohammad Kaleem Rossenally	
	7. Westcon Africa (Mauritius) Ltd	
	8. Fast Click Ltd	
	9. Secure Services (Mauritius) Ltd	
	10. Ramcharan Soudarshan	
	11. Advanced Digital Ltd	
	12. CQ Tech (Mtius) Ltd	
	13. Atlas Communication International Ltd	
	14. Chow Vee Sop & Co	
	15. Yasin Mobile Shop Ltd	
	16. Ramcharan-Neergheen Devi	
	17. G2D Development Services Co Ltd	
	18. Austere Technologies Ltd	
	19. K. G. PRO Ltd	
	20. Enterprise Data Services Ltd	
	21. Vitech Electronics Ltd	
	22. Channel IT Ltd	
	23. Tarsus Technologies Ltd	
	24. Simelec Ltd	
	25. Avacor Ltd	
	26. AURS & Co Ltd	
	27. Chaakko Solar Technologies Ltd	
	28. System At Work Co Ltd	
/	29. Soushita Nobin	
/	30. Serenity T. A Ltd	
	31. Winshaye Ltd	
	32. Asea Brown Boveri Ltd	
	33. KSSL International Marketing Ltd	

Renewal	1. Ebene Hi-Tech Ltd	
	2. Wirelink Consulting Ltd	
	3. Inconek (Mtius) Ltd	
	4. Auctus Ltd	
	5. K. C. Electricals Ltd	
	6. Phone Us Ltd	
	7. M/S Pooja Mungur	
	8. Samsung Electronics South Africa (Proprietary) Ltd	43
	9. Lo Thiap Hing Ltd	
	10. Dtech Automation Ltd	
Network Service Provider Licence (national)	Data Communications Ltd	1
Internet Service Provider [ISP] Licence	Mauritius Telecom Ltd	1
Network		
Infrastructure	Millennium Internet Exchange Ltd	1
Provider Licence		
Value Added		
Services (VAS)	Ecommerce Marketplace Co Ltd	1
Licence		

Directives

In the year 2014 The Telecommunication Directive 1 of 2014 was issued.

This Directive came into effect on 1st October 2014. It repealed and replaced the Telecommunication Directive 1 of 2009.

Telecommunication Directive of 2014 (TD 1) provides for additional obligations on licensed Dealers with a view to protecting consumers' interests and enhancing consumer safety. The latter aspect (safety) has been added to the said Directive.

The TD also provides for the Licensed Dealer to provide good quality of service to consumers, including a warranty period of at least one year on the Radiocommunication/ telecommunication equipment purchased, either from the manufacturer or from its authorised representative for the territory of Mauritius or from the Licensed Dealer.

The TD also covers 4G-LTE mobile phones with regards to additional obligations pertaining to importation and commercialisation of mobile phones.

Economic Regulation

- Implementation of wholesale tariffs for Leased Lines & Bilateral Half Circuit IPLC Services.
- Decrease in IPLC Tariffs
- Decrease in tariffs for ILD voice services
- Decrease in tariffs of mobile network and Internet access services
- Implementation of SMP framework
- Determination by the ICT Authority on Applications for Tariffs of Telecommunications Services

Background

The Authority has processed some 16 tariff applications (Annex 1) made by various licensed operators over the period from 1st January 2014 to 31st December 2014. Among the various determinations made by the Authority, a number of important highlights pertain to the:

- implementation of wholesale tariffs for leased lines and bilateral half circuit IPLC services (i)
- (ii) continued reductions in the tariffs for international bandwidth connectivity and international long distance voice services.
- coming into operation of an alternative provider of outgoing ILD voice services offering (iii) innovative packages with preset minutes allowances for both businesses and individuals as compared to the traditional ILD voice services based on a per minute billing.
- launch of a number of new prepaid and postpaid mobile Internet and data packages. $(i\vee)$

A summary of the evolution of applicable tariffs for selected information and communication services (ICS) is available at Annex 2.

Implementation of wholesale tariffs for Leased Lines & Bilateral Half Circuit IPLC Services.

In June 2014, the ICT Authority approved the introduction of wholesale tariff grids for Leased Lines and Bilateral half circuit IPLC services.

This regulatory measure aimed at enhancing the level playing field among operators in the ICT sector by bringing in more competition while ensuring that consumers get access to affordable and quality information and communication services.

Depending on the services and respective capacity selected, the introduction of these wholesale offers would entitle licensed public operators to a savings of between 4% – 53% off the retail tariffs.

The wholesale tariffs were specified for a minimum of 2 Mbps (E1) to a maximum of 622 Mbps (STM-4) at this stage. They would be available solely to licensed public operators which would typically require national and international bandwidth connectivity in order to ensure the provision of a number of retail information and communication services (for example, Internet access, voice and data) to final end users, businesses and the public at large. The new tariff grid would allow licensed public operators to pass on the benefits obtained through the savings made on national and international bandwidth connectivity by developing more attractive retail pricing for their services.

The measure taken by the ICT Authority was also intended at providing more transparency in terms of pricing available to duly licensed public operators.

Decrease in IPLC Tariffs

The latest determination by the ICT Authority on bilateral (half-circuit) IPLC took effect as from 1st January 2014, comprising an average reduction in tariffs for international bandwidth services of 16% from their previous levels to the benefit of the various sector stakeholders.

The chart below depicts a five-year outlook of the evolution of Bilateral Half Circuits tariffs for E1 connectivity (i.e. a 2 Mbps capacity) for the period 2010 to 2014:

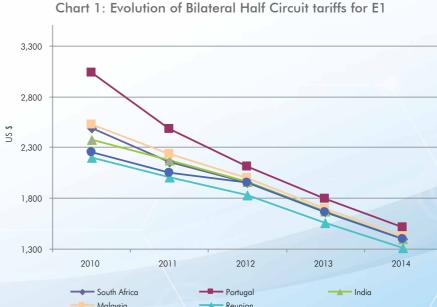


Chart 1 above establishes a sustained decreasing trend in terms of the tariffs for Bilateral Half Circuits over selected landing points along the SAFE cable with an overall average decrease of 43% over the relevant period.

Chart 2 below highlights the tariff evolution in terms of the cheapest available offer for a 2Mbps (E1) Full Circuit on SAFE over the period 2010 to 2014, whereby an overall reduction of 61% is applicable accordingly.

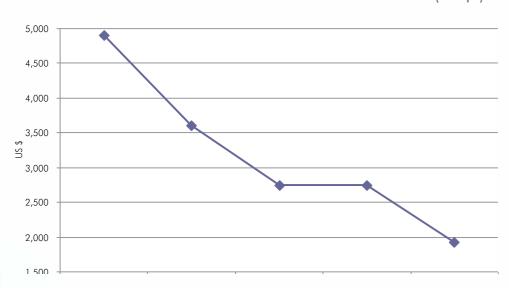


Chart 2: Evolution of IPLC tariffs for Bilateral Full Circuits on SAFE (2Mbps)

3. Decrease in tariffs for ILD voice services

The extent of effective competition across the numerous licensed ILD operators in the outgoing ILD market segment has translated to frequent price reductions especially to popular calling destinations. The decreases in the tariffs for international connectivity, together with competitive termination rates, have further boosted the ability of market players to compete even more, to the benefit of the end user.

During the year 2014, the tariff of a postpaid IDD call to Bangladesh has been determined at Rs 1.60 per minute. Similarly, Internet Telephony calls to several major destinations now cost as low as Rs 2.00 per minute. In fact, these tariffs have been aligned with postpaid IDD tariffs of popular destinations. It is to be noted that the decrease in per minute tariff for an Internet Telephony call has been calculated on average at 45% for the period under study.

4. Decrease in tariffs of mobile network and Internet access services

In terms of tariffs for Internet access over mobile platforms, the cheapest package of a post pay 1 GB stood at Rs 216.52 per month, corresponding to a significant reduction of around 28% from 2010 to 2014. The introduction of high-capacity offers such as denominations of 50 GB, also entitle customers to substantial savings (of about 76%) by paying an equivalent tariff of about Rs51.28 per GB, as compared to the cheapest post pay 1 GB of Rs 216.52.

Moreover, in order to make Internet more accessible, a reduction in tariff of 50% of the ADSL 512 Kbps with 2 GB allowance Home offer has been determined. Alongside this, the ADSL 512 Kbps with 5 GB allowance home package has been approved at the tariff of Rs 230, making residential Internet offers more affordable in general.

Implementation of SMP framework

As part of the implementation of the SMP framework, the Authority has appointed Towerhouse LLP, of London UK, for the purpose of carrying out a statutory market analysis, in accordance with the provisions under Section 30(1) of the ICT Act 2001 as amended.

In September 2014, an industry dialogue took place to explain some of the key implications of the paradigm shift in Market Regulation and get on board the views of stakeholders on the project. As such, the Authority will adopt the usual consultative approach and accordingly plans to have a series of meetings, workshops and interactions with operators and other relevant stakeholders as part of the advent of this new framework for market regulation, expected to come into place in 2015.

ANNEX 1

Determination by ICTA on Applications for Tariffs of Telecommunications Services					
Calendar Year: 01 January 2014 to 31 December 2014					
Month	Operator	Tariff Approval by Service	Details		
Mar-14	Emtel	Fixed wireless Internet service	Discounted Tariffs for the postpaid 20GB plan offered to the MPF		
	Egallys	ILD Services	Launch of New ILD packages for Business and Home		
	DCL	IPLC Services	Reduction in tariffs of ILD services and launch of new services and speed denominations		
May-14	562	ISP Services	Reduction in tariffs of ISP services and launch of new services and speed denominations		
	Cellplus	Orange Abundance Offers	Revision of prepay,postpay and bundled packages & launch of new postpay bundled offer		
	Belgacom	IPLC	Decrease of 16% following budgetary measures		
		Occasion Abundance Officer Federaled			
Jun-14	Cellplus	Orange Abundance Offers - Extended Offers	Revision of prepay & postpay packages and introduction of higher capacity packages		
	мт	Leased Lines service (Wholesale)	Launch of wholesale tariffs for leased lines		
		Bilateral Half Circuit IPLC (Wholesale)	Launch of wholesale tariffs for bilateral half circuit IPLC without restoration		
Jul-14	Emtel	Wired Access Telephony	Launch of Wired Access Telephony service (PRI) offer		
Jul-14	Emtel MT	Wired Access Telephony ILD Services	Launch of Wired Access Telephony service (PRI) offer Revision of tariffs for ILD 020 services		
	MT DCL	ILD Services ILD voice services	Revision of tariffs for ILD 020 services Decrease in tariffs of ILD voice calls for all destinations		
	MT	ILD Services	Revision of tariffs for ILD 020 services		
Aug-14	MT DCL	ILD Services ILD voice services	Revision of tariffs for ILD 020 services Decrease in tariffs of ILD voice calls for all destinations		
	MT DCL MTML	ILD Services ILD voice services ILD Services	Revision of tariffs for ILD 020 services Decrease in tariffs of ILD voice calls for all destinations Review of tariffs on selected destinations		

ANNEX 2

	2010	2011	2012	2013	2014
TARIFFS FOR POSTPAID SERVICE - Outgoing IDD Calls (Rs/min) to:					
UK	4.00	4.00	3.90	2.00	2.00
France	4.00	4.00	3.90	2.00	2.00
India	3.90	3.90	2.70	2.00	2.00
China	2.70	2.70	2.70	2.00	2.00
USA	3.50	3.50	2.70	2.00	2.00
TARIFFS FOR PREPAID MOBILE TELEPHONY SERVICE (Rs)					
Mobile to Mobile On-net call of 3 minutes duration	2.40	2.40	2.40	2.40	2.40
Mobile to Mobile Off-net call of 3 minutes duration	5.40	5.40	5.40	5.40	5.40
Mobile to Fixed call of 3 minutes duration	8.10	8.10	8.10	8.10	8.10
FIXED WIRED - ADSL					
Entry Level Residential ADSL Offer	360	317	317	187	100
ADSL 512 kbps (Unlimited Volume Usage):					
Residential use	673	621	621	621	621
Business use	2,400	1,250	890	890	890
ADSL 1 Mbps (Unlimited Volume Usage)					
Residential use	1,190	708	708	708	708
Business use	4,900	2,400	1,890	1,890	1,890
FIXED WIRELESS - WIM AX					
Asymmetric 512 Kbps Home	1400	729	729	729	590
M OBILE DATA - 3G / HSDPA / GPRS					
Postpaid plan of 500 MB capacity	300	250	230	175	175
Postpaid plan of 1 GB capacity	299	299	299	275	217

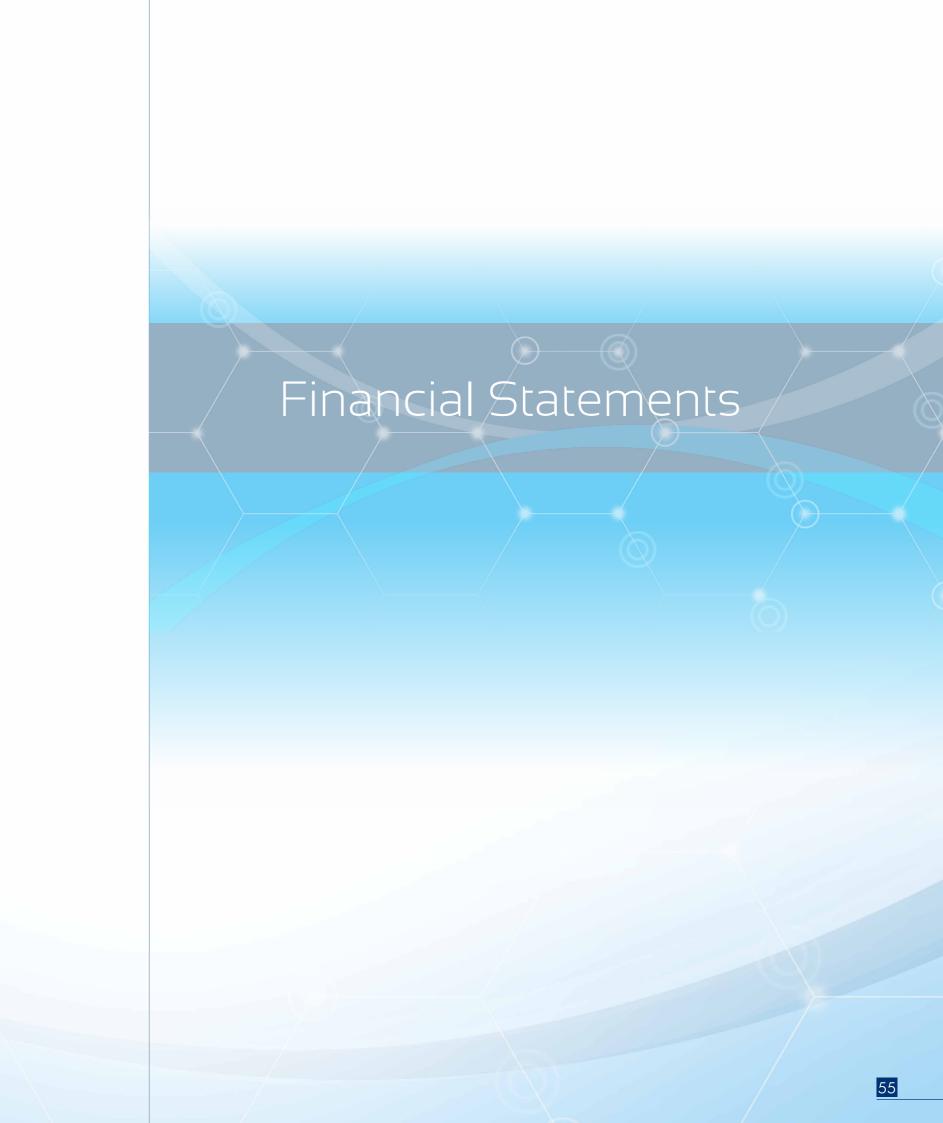
- Notes:

 1. The tariffs provided for the relevant service markets refer to the cheapest approved tariffs being commercialised across licensed operators for a given year
- The tariffs provided refer to selected service categories in order to allow for indicative and consistent comparisons
 Entry Level Residential ADSL Offer refers to the most basic ADSL offer commercialised. This started out as an offer of 256Kbps with a 3GB allow ance in 2010 and subsequently upgraded to an offer of 512Kbps with a 2GB allow ance in 2014.

DIRECTOR OF AUDIT

On the Financial Statements of the Information and Communication Technologies Authority for the year ended 31 December 2014

-NATIONAL AUDIT OFFICE ___





REPORT OF THE DIRECTOR OF AUDIT TO THE BOARD OF THE INFORMATION AND COMMUNICATION TECHNOLOGIES AUTHORITY

Report on the Financial Statements

I have audited the accompanying financial statements of the Information and Communication Technologies Authority which comprise the statement of financial position as of 31 December 2014, the statement of financial performance and the statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Public Sector Accounting Standards 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.

Auditor's Responsibility

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

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

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

Basis for Qualified Opinion

Contingent Liabilities

A private Contractor lodged a case against the Authority on 24 November 2014 for an amount of USD 4,650,000. At Note 29 to the financial statements, it is disclosed that no provision has been made in the accounts as the possibility for the claim to be materialized is remote. However no sufficient appropriate audit evidence was obtained in the form of legal advice to support the claim as being remote.

Qualified Opinion

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements give a true and fair view of the financial position of the Information and Communication Technologies Authority as of 31 December 2014 and of its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards.

Emphasis of Matter

I draw attention to the following:

Fraud Tracking Project

As disclosed at Note 23 to the financial statements, income on fraud tracking account amounted to Rs 1.9 million for the year ended 31 December 2014. However, since August 2010 an agreement was signed with a Contractor for the implementation of a Fraud Tracking Project at the Authority. To-date some Rs 62.5 million have been paid to the Contractor. The scheme is not yet operational.

Trade Receivables: Universal Service Fund

As disclosed at Note 13 (b) to the financial statements, the receivables figure as of 31 December 2014 amounted to some Rs 159.2 million compared to Rs 110.6 million as of 31 December 2013. Some of the debts related to the year 2008.

My opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Compliance

Statutory Bodies (Accounts and Audit) Act

The Annual Report including the financial statements for the financial year 2014 were submitted to the National Audit Office on 4 December 2015 that is, seven months after the statutory date limit.

Following examination of the financial statements, various amendments were required. The final amended financial statements were received at my Office on 2 May 2016.

In my opinion, except for the non-submission of the Annual Report and financial statements within the statutory date limit, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the Statutory Bodies (Accounts and Audit) Act.

Opinion

Public Procurement Act

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

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

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K.C. TSE YUET CHEONG (MRS)

Director of Audit

National Audit Office Level 14, Air Mauritius Centre PORT LOUIS 3 June 2016

INFORMATION AND COMMUNICATION TECHNOLOGIES AUTHORITY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

		2014	2013
	Note	Rs	Rs
ASSETS			
Current Assets			
Cash and bank balances - General Fund	15a	79,761,221	36,599,591
- Universal Service Fund	15b	494,059,326	461,767,390
Held-to-Maturity Investments	16	215,000,000	235,000,000
Trade receivables - General Fund	13a	8,816,145	12,146,995
- Universal Service Fund	13b	159,219,749	110,654,750
Other receivables	14	15,769,085	11,464,518
		972,625,526	867,633,244
Non-Current Assets			
Other receivables	14	1,833,138	2,403,807
Plant and equipment	10	20,974,529	20,727,840
		22,807,667	23,131,647
TOTAL ASSETS		995,433,193	890,764,891
LIABILITIES			
Current Liabilities			
Creditors and payables	21	61,293,021	60,609,289
Short term employee benefits	20	4,491,965	3,819,564
		65,784,986	64,428,853
Non-Current Liabilities			
Retirement benefit obligations	19	1,473,935	1,124,711
Long term employee benefits	20	11,716,268	11,019,646
		13,190,203	12,144,357
TOTAL LIABILITIES		78,975,189	76,573,210
NET ASSETS		916,458,004	814,191,681
NET ASSETS/EQUITY			
Capital & Reserve			
Equity - General Fund	17a	250,773,960	235,910,447
- Universal Service Fund	17b	656,953,891	572,163,710
Revaluation Reserves	18	8,730,153	6,117,524
	. 0	916,458,004	814,191,681
		7 7	77777

These Financial Statements were approved by the Board of the ICT Authority on 19 April 2016 Signed on their behalf:

Mr B. Beeharee

(Chairman)

Mr. G. Cathan (Board Member)

INFORMATION AND COMMUNICATION TECHNOLOGIES AUTHORITY STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	2014 Rs	2013 Rs
		110	110
Revenue			
General Fund	22a	180,571,537	157,646,696
Universal Service Fund	22b	106,124,816	132,171,495
Other income	23	35,708,557	23,537,691
		322,404,910	313,355,882
Administrative expenses	24	(98,871,078)	(105,432,415)
Other expenses	25	(83,880,139)	(74,116,861)
NET SURPLUS		139,653,693	133,806,606
Attributable to :			
General Fund		54,863,513	6,743,319
Universal Service Fund		84,790,180	127,063,287

INFORMATION AND COMMUNICATION TECHNOLOGIES AUTHORITY STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31 DECEMBER 2014

				Universal
		General Fund		Service Fund
	Accumulated	Revaluation	Total net assets/	Accumulated
	Surpluses	Reserve	equity	Surpluses
				(Restated)
	Rs	Rs	Rs	Rs
Balance as at 1				
January 2013	269,167,128	3,595,222	272,762,350	445,100,423
Prior year adjustment	-	-	-	-
(Note 31)				
Surplus	6,743,319	-	6,743,319	127,063,287
Revaluation Reserve	-	2,522,302	2,522,302	-
Contribution to the				
Consolidated Fund	(40,000,000)	-	(40,000,000)	-
Balance as at 31				
December 2013	235,910,447	6,117,524	242,027,971	572,163,710
Surplus	54,863,513	-	54,863,513	84,790,180
Revaluation Reserve	-	2,612,629	2,612,629	_
Contribution to the		, ,	, ,	
Consolidated Fund	(40,000,000)	-	(40,000,000)	<u></u>
Balance as at 31				
December 2014	250,773,960	8,730,153	259,504,113	656,953,890

INFORMATION AND COMMUNICATION TECHNOLOGIES AUTHORITY CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 Rs	2013 Rs
CASH FLOW FROM OPERATING ACTIVITIES	17.5	11.0
Surplus for the year		
- General Fund	54,863,513	6,743,319
- Universal Service Fund	84,790,180	127,063,287
Non-Cash Movements		
Depreciation	10,150,582	10,731,558
(Profit)/Loss on disposal	49,282	(616,978)
Decrease in retirement benefit obligations	349,224	(660,796)
(Increase)/Decrease in trade receivables		
- General Fund	3,330,850	(5,185,869)
- Universal Service Fund	(48,564,999)	(25,518,624)
Decrease/(Increase) in other receivables	(3,733,898)	129,256,626
Increase in employee benefits	1,369,023	4,503,861
(Decrease)/Increase in creditors & payables		
- General Fund	585,503	(111,666,925)
- Universal Service Fund	98,230	(2,268,639)
Net Cash flows from operating activities	103,287,490	132,380,820
INVESTING ACTIVITIES		
Purchase of plant & equipment	(7,896,753)	(11,398,981)
Proceed from Disposal of Plant and Equipment	62,829	724,000
Held-to-maturity Investments	20,000,000	15,000,000
FINANCING ACTIVITIES		
Transfer to consolidated fund	(40,000,000)	(40,000,000)
INCREASE IN CASH AND CASH EQUIVALENTS	75,453,566	96,705,839
CASH AND CASH EQUIVALENTS AT 1 JANUARY 2014	498,366,981	401,661,142
CASH AND CASH EQUIVALENTS AT 31 DECEMBER 2014	573,820,547	498,366,981
General Fund	79,761,221	36,599,591
Universal Service Fund	494,059,326	461,767,390

NOTES TO THE CASH FLOW STATEMENT

a) Cash and Cash Equivalents

Cash and Cash Equivalents consist of cash in hand and balances with banks. Cash and cash equivalents included in the cash flow statement comprise of the following amounts:

	2014	2013
	Rs	Rs
Cash at Bank – General Fund	69,320,693	28,161,045
Cash at Bank - Fraud Tracking Account	10,216,851	8,271,518
Cash at Bank — PKI	199,469	151,747
Cash in Hand	24,208	15,281
	79,761,221	36,599,591
Cash at Bank – Universal Service Fund	494,059,326	461,767,390
TOTAL	573,820,547	498,366,981

b) Plant and Equipment

During the year, the Authority acquired plant and equipment with an aggregate cost of Rs 7,896,753 Cash payments were made to purchase plant and equipment.

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

Note: The Budget and the accounting basis is the same. The Statement of Comparison of Budget and Actual Amounts is prepared on the accrual basis.

	Budgeted	Amounts	Actual Amounts	Variance	Variance Final/
					Actual
	year ended		on Comparable	Original/ Final	ACTUQI
	Original	Final	Basis		
	Rs	Rs	Rs	Rs	Rs
INCOME					
Revenue from Licence Fees	150,000,000	150,000,000	180,571,537	-	30,571,537
Other Income	10,000,000	10,000,000	18,305,883		8,305,883
TOTAL	160,000,000	160,000,000	198,877,420		38,877,420
EXPENDITURE					
Staff costs	68,000,000	67,000,000	65,895,360	(1,000,000)	(1,104,640)
Board and sub committees' allowances	6,500,000	4,500,000	4,273,285	(2,000,000)	(226,715)
Printing, Postage & Stationery	1,200,000	1,000,000	729,062	(200,000)	(270,938)
Incidentals and office expenses	1,200,000	1,200,000	1,009,209	(200,000)	(190,791)
Motor Vehicle Running Expenses	1,050,000	1,000,000	664,601	(50,000)	(335,399)
Rent, Rates & Licences	8,500,000	7,500,000	7,347,451	(1,000,000)	(152,549)
Professional fees	4,500,000	3,00,000	2,110,693	(1,500,000)	(889,307)
Insurance	1,000,000	1,000,000	635,804	(1/000/000/	(364,196)
Repairs & Maintenance	500,000	800,000	1,459,092	300,000	659,092
Cost of Utilities	3,400,000	3,400,000	2,854,461	-	(545,539)
Press advertisements	700,000	800,000	881,537	100,000	81,537
Technical library and publications	500,000	500,000	61,335	-	(438,665)
Training and workshops	2,000,000	1,000,000	747,489	(1,000,000)	(252,511)
Provision for Impairment on fraud tracking		-	-	-	(===/=::/
	99,050,000	92,700,000	88,669,379	(6,350,000)	(4,030,621)
Contribution to International Organisation	4,000,000	7,500,000	7,593,978	3,500,000	93,978
Overseas Mission	5,000,000	3,500,000	2,559,088	(1,500,000)	(940,912)
Donation	2,000,000	1,000,000	263,990	(1,000,000)	(736,010)
Conference	4,000,000	1,000,000	73,021	(3,000,000)	(926,979)
Consultancy costs	2,000,000	6,600,000	3,747,488	4,600,000	(2,852,512)
Project Recurrent Costs					
Dot.mu	1,000,000	500,000	_	(500,000)	(500,000)
PKI	2,000,000	200,000	47,300	(1,800,000)	(152,700)
Community Empowerment Programme	15,000000	27,000,000	26,636,145	12,000,000	(363,855)
Consumer Outreach	13,000000	500,000	20,000,140	500,000	(500,000)
Online Malware Filtering	2,000,000	-		(2,000,000)	(000,000)
QOS Project	500,000	500,000		(2,000,000)	(500,000)
Internet content filtering project	7,000,000	3,000,000	3,176,354	(4,000,000)	(000,000)
Fraud Tracking	52,000,000	-	132,160	(52,000,000)	132,160
Projects for Working Groups	10,000,000	112	-	(==,===================================	
ALARA Project Costs (Radio Conference 2014)	-		80,492	_	80,492
Disaster Management		The state of the s	834,248		834,248
	106,500,000	51,300,000	45,144,264	(55,200,000)	(6,155,736)
	205,550,000	144,000,000	133,813,643	(61,550,000)	(10,186,357)
	11	,	-11	,//	1//

Note: Please see note 28 for explanation on Variances. The above budget relates to the General Fund only.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

1. MAIN ACTIVITY OF THE AUTHORITY

The ICT Authority was established under the Information and Communication Technologies Act 2001 in order to regulate and democratise information and communication technologies and related matters.

BASIS OF PREPARATION

In accordance with amendments brought to the Statutory Bodies (Accounts and Audit) Act by the Finance (Miscellaneous Provisions) Act No. 10 of 2010 the Financial Statements have been prepared in compliance with the International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector which is as Board of the International Federation of Accountants Committee (IFAC).

Where an IPSAS does not address a particular issue, the appropriate International Financial Reporting Standards (IFRSs) and international Accounting Standards (IASs) of the International Accounting Standards Board (IASB) are applied.

GOING CONCERN

The financial statements have been prepared on a going concern basis and the accounting policies have been consistently applied throughout the period.

4. ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimation involves judgments based on the latest available, reliable information and may need revision if changes occur in the circumstances on which the estimates were based or as a result of new information.

A change in an accounting estimate is recognized in the period of change if the change affects the period only or the period of change and future periods, if the change affects both. To the extent that a change gives rise to assets and liabilities or relates to an item of net assets/equity, it is recognized by adjusting the carrying amount of the related asset, liability, or net assets/equity in the period of the change.

5. MEASUREMENT BASE

In preparing the financial statements, the Authority has adopted the accounting principles recognized as appropriate for the measurement and reporting of the financial position, financial performance, and cash flows on an accrual basis.

6. AMENDMENTS TO IPSAS ISSUED BUT NOT YET EFFECTIVE

IPSAS 32 - Service Concession Arrangements

(Effective January 2014)

IPSAS 32 sets out the accounting requirements of the grantor in a service concession arrangement.

This IPSAS is not expected to have any impact on the Authority's operations or financial statements.

7. STATEMENT OF FINANCIAL PERFORMANCE AND CASH FLOW STATEMENTS

The statement of financial performance classifies expenses on the basis of their nature. The cash flow statement has been prepared using the indirect method.

8. SIGNIFICANT ACCOUNTING POLICIES

(a) Revenue Recognition

Revenue, which represents licence fees receivable, has been accounted on an accrual basis, and is recognized upon issue of claims to licensees.

(b) Expenditure

All expenses have been accounted on accrual basis.

(c) Plant and equipment – depreciation and revaluation

Plant and equipment are stated at cost less accumulated depreciation. However, computer equipment, office equipment and technical equipment have been revalued by management based upon their fair value.

Depreciation is calculated to write off the cost of plant and equipment on a straight line basis over the expected useful lives of such assets. The annual depreciation rates used for the purpose are as follows:-

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

Item	(%)
Furniture & Fittings	10
Office Equipment	33 1/3
Computer Equipment & Software	33 1/3
Motor Vehicles	20
Technical Equipment	20

- (ii) Full depreciation is charged in the year of acquisition and no depreciation is charged in the year of disposal.
- (iii) Fully depreciated assets still in use are revalued and depreciated over their estimated future useful lives.
- (iv) Plant & equipment are revalued at least once a year, based on management best estimates. If an asset's carrying amount is increased as a result of a revaluation, the increase is recognised as revaluation surplus in the Statement of Net Assets/Equity. However, the increase shall be recognised in the Statement of Financial Performance to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. If an asset's carrying amount is decreased as a result of a revaluation, the decrease shall be recognised in the Statement of Financial Performance. However, the decrease shall be recognised in the Statement of Financial Performance to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

(d) Impairment of Tangible Assets

At each date of Statement of Financial Position, the Authority reviews the carrying amounts of its tangible 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 extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Authority 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 cashgenerating 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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimated of future cash flows have not been adjusted.

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 comprehensive income, 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 an impairment is recognized immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(e) Financial instruments

Financial assets and liabilities are recognized on the Statement of Financial Position when the Authority has become party to the contractual provisions of the financial instruments. Financial instruments are initially measured at cost, which includes transaction costs. Subsequent to the initial recognition, these instruments are measured as set out below:

- (i) Trade receivables
 - Trade receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.
- (ii) Other receivables
 Other receivables are stated at their nominal value.
- (iii) Investments in deposits
 Investments in deposits comprise term deposits in local commercial bank accounts. The
 Investments in deposits are stated at amortised cost.
- (iv) Cash and cash equivalents

 Cash and cash equivalents comprise cash and bank balances, and investments in deposits.
- (v) Creditors and payablesCreditors and payables are stated at their nominal value.

(f) Retirement Benefit Obligations

The Authority contributes to a pension scheme, which is a 'Defined Benefit' plan. The assets of the fund are held independently and administered by the State Insurance Company of Mauritius Ltd (SICOM).

The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each date of Statement of Financial Position. A Corridor Method was adopted for the recognition of actual gains and losses with respect to the defined benefit plan. Actuarial gains and losses which exceed ten per cent of the greater of the present value of the pension obligations and the fair value of plan assets are recognised in the financial year following their recurrence.

The amount recognised in the Statement of Financial Position represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to unrecognised actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

A portion of actuarial gains or losses will be recognised as income or expense if the net cumulative unrecognised actuarial gains or losses at the end of the previous accounting period exceeded the greater of:

- 10% of the present value of the defined benefit obligations at that date; and
- 10% of the fare value of the plan asset at that date.

g) Provisions

Provisions are recognized when the Authority has a present obligation as a result of past event, which it is probable, will result in an outflow of economic benefits that can reasonably be estimated.

Allowances for Doubtful Debts

Trade receivables are stated at their nominal value, as reduced by appropriate allowances for estimated irrecoverable amounts, and comprise claims for licence fees due at year end. The claims are issued to all licensees of the Authority based upon the applicable licence fees as per regulations. A certain number of claims are expected to be irrecoverable owing to the fact that firstly, the licensees have closed down, and secondly, the equipment to which the claims pertained have either broken down or are no longer being used.

Appropriate amounts, based upon past experience and facts submitted by licensees, have been earmarked in the provision for allowances for doubtful debts. In assessing the recoverability of trade receivables, Management considers the ageing of the claims due.

h) Use of estimates

The preparation of financial statements in accordance with International Financial Reporting Standards and generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from these estimates.

(i) Related Parties

For the purposes of these Financial Statements, parties are considered to be related to the Authority if they have the ability, directly or indirectly, to control the Authority or exercise significant influence over the Authority in making financial and operating decisions, or where the Authority is subject to common control or common significant influence. Related parties may be individuals or other entities.

RISK MANAGEMENT POLICIES

(i) Credit Risk

Credit risk relates to the possibility of default by licensees in settling their claims obligations to the Authority.

For major commercial licences, the Act provides for the obligation of the licensee to furnish a Bank Guarantee, which the Authority can enforce to should the claims for licence fees are not honoured. This mitigates the credit risk exposure of the Authority with regard to the recoverability of the licence fees and the possibility of material loss arising.

Liquidity Risk

This refers to the possibility of default by the Authority to meet its obligations because of unavailability of funds to meet both operational and capital requirements. In order to ensure adequacy of its funding, cash flow forecasts are prepared periodically to identify any shortage of funds. The expenditure of the Authority is also matched against budget estimates to be within targeted limits.

The single major outflow of the Authority comprises the contribution to the Consolidated Fund. The amount payable is based on budget estimates, as may be adjusted for any actual non-budgeted recurrent and/or capital expenditure, to arrive at the surplus transferable funds.

PLANT AND EQUIPMENT

	Furniture & Fittings	Office Equipment	Computer Equipment & Software	Motor Vehicles	Technical Equipment	TOTAL Rs
COST						
Balance as at 1 Jan 2014	3,832,487	1,953,221	17,922,438	18,958,700	8,750,248	51,417,094
Additions	595,121	239,062	1,565,661	5,000,000	496,909	7,896,753
Revaluation	111,801	27,018	2,220,194	-	253,616	2,612,629
Original Cost of Assets Revalued	(372,670)	(81,053)	(6,660,584)	-	(422,693)	(7,537,000)
Disposal/Scrapped	(25,979)	(155,887)	(120,862)	-	(11,808)	(314,536)
Balance as at 31 December 2014	4,140,760	1,982,361	14,926,847	23,958,700	9,066,272	54,074,940
DEPRECIATION						
Balance as at 1 Jan 2014	1,965,084	1,079,960	10,201,668	12,875,920	4,566,620	30,689,252
Charge for the year	394,157	652,484	4,204,960	3,321,840	1,577,141	10,150,582
Accumulated depreciation	(372,670)	(81,053)	(6,660,584)	-	(422,693)	(7,537,000)
of Assets Revalued						
Disposal/Scrapped	(16,600)	(95,850)	(78,165)	-	(11,808)	(202,423)
Balance as at 31 December 2014	1,969,971	1,555,541	7,667,879	16,197,760	5,709,260	33,100,411
NBV - 31 December 2014	2,170,789	426,820	7,258,968	7,760,940	3,357,012	20,974,529
NBV - 31 December 2013	1,867,403	873,261	7,720770	6,082,780	4,183,628	20,727,842

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

SURPLUS FROM OPERATIONS

Surplus for the year is arrived at after charging the following items:

	2014	2013
		(Restated)
	Rs	Rs
Staff Costs	65,823,860	64,859,707
Depreciation	10,150,582	10,731,558
	Number	Number
Employees at end of year	81	85

FINANCIAL INSTRUMENTS

In its ordinary operations, the Authority is exposed to financial risk, more precisely to credit risk.

Fair values

The carrying amounts of the Authority's financial assets and financial liabilities reflect their nominal values.

Credit risk

The Authority's credit risk is attributable to its Trade Receivable and Other Receivables. The amounts stated in the Statement of Financial Position are net of allowances for impairment of debts, estimated on prior experience.

Interest rate risk

The Authority does not have significant concentration of interest risk.

TRADE RECEIVABLES

13(a). General Fund

Trade Receivables represent licence fees due at year end (2014: Rs 8,816,145; 2013: Rs 12,146,995), and are stated net of provision for impairment of debts.

Movement in allowances for doubtful debts account:

	Rs
Balance as at 1 January 2014	6,969,238
Provision during the year	-
Balance as at 31 December 2014	6,969,238

13(b). Universal Service Fund (USF)

Trade receivable represents USF contributions due from licensed operators at year end (2014: Rs: 159,219,749; 2013: Rs 110,654,750)

14. OTHER RECEIVABLES

	2014	2013 (Restated)
	Rs	Rs
Interest on deposits	12,137,192	7,770,161
Loan to staffs	3,170,447	3.698,508
Prepayments	1,714,710	2,267,656
IBA rent	-	132,000
Amount receivable from CTO	577,682	-
PKI		2,192
TOTAL	17,602,223	13,868,325
Receivable within 1 year	15,769,085	11,464,518
Receivable after 1 year	1,833,138	2,403,807
	17,602,223	18,054,801

15. CASH AND BANK BALANCES

	2014	2013
	D	(Restated)
	Rs	Rs
Cash at Bank – General Fund	69,320,692	28,161,045
Cash at Bank - Fraud Tracking Account	10,216,851	8,271,518
Cash at Bank – PKI	199,469	151,747
Cash in Hand	24,209	15,281
	79,761,221	36,599,591
Cash at Bank - Universal Service Fund	494,059,326	461,767,390
TOTAL	573,820,547	498,366,981

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

16. HELD-TO-MATURITY INVESTMENTS

Held-to-Maturity Investments represents short term deposit at bank with interest payable at maturity.

TRANSFER TO CONSOLIDATED FUND

The Authority contributes a sum to the Consolidated Fund (formerly Capital Fund) of the Government of Mauritius from the General Fund in terms of the provisions of the Information and Communication Technologies Act 2001 based on income and expenditure estimates, and as determined by the Board of the Authority. An amount of Rs 40,000,000 has been earmarked to be transferred into the Consolidated Fund.

The transfer of Rs 40,000,000 has been treated as a movement (decrease) in equity.

18. REVALUATION RESERVE

The revaluation reserve consists of fair value reserve arising on revaluation of fixed assets. The following assets were revalued:-

Date of Revaluation	Class of Assets	Increase in Carrying Amount Rs
31.12.2014	Furniture & Fittings	111,801
31.12.2014	Office Equipment	27,018
31.12.2014	Computer Equipment	2,220,194
31.12.2014	Technical Equipment	253,616
Amount recognised in revaluation	on reserve	2,612,692

Basis of Revaluation

No independent valuer was involved. Office Equipment and Computer equipment were revalued based upon best Management estimate benchmarked upon prevailing market prices for items concerned.

Management is of the opinion that the above assets still carry the above stated amounts.

19. RETIREMENT BENEFIT OBLIGATIONS

The Authority has included its retirement benefit obligations in the financial statements. The pension scheme of the Authority is a defined benefit plan, and the assets of the funded plan are held independently and administered by SICOM Ltd.

	2014	2013 (Restated)
Amounts recognised in statement of financial position at end of year:		
Present value of funded obligation (Fair value of plan assets)	58,662,289 (36,016,077)	49,132,091 (29,858,357)
Present value of unfunded obligation Unrecognised actuarial gain/(loss)	22,646,212 2,471,110 (23,643,387)	19,273,734 2,547,316 (20,696,340)
Unrecognised transition amount Liability recognised in	0	0
statement of financial position at end of year	1,473,935	1,124,711
Amounts recognised in statement of financial Performance:		
Current service cost (Employee Contributions) Fund expenses Interest cost	3,751,920 (2,228,916) 172,937 4,134,352	3,399,014 (1,925,176) 96,259 2,710,705
(Expected return on plan assets) Actuarial loss/(gain) recognised Past service cost recognised	(2,547,114) 631,325 0	(2,036,399) 204,470 0
Total, included in staff costs	3,914,504	2,448,873
Movements in liability recognised in statement of financial position:		
At start of year Total staff cost as above (ICTA share of Pension) (Contributions paid by employer)	1,124,711 3,914,504 (221,905) (3,343,375)	1,785,507 2,448,873 (221,904) (2,887,765)
At end of year	1,473,935	1,124,711
Actual return on plan assets:	1,772,042	2,538,445
Main actuarial assumptions at end of year:		
Discount rate	8.00%	8.00%
Expected rate of return on plan assets	8.00%	8.00%
Future salary increases	5.50%	5.50%
Future pension increases	3.50%	3.50%

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	2013
		(Restated)
	Rs	Rs
Reconciliation of the present value of defined benefit obligation		
Present value of obligation at start of period	51,679,407	33,883,81
Current service cost	3,751,920	3,399,014
Interest cost	4,134,352	2,710,70
(Benefits paid)	(1,660,126)	(1,208,736
Liability (gain)/loss	3,227,846	12,894,60
Present value of obligation at end of period	61,133,399	51,679,40
Reconciliation of fair value of plan assets		
Fair value of plan assets at start of period	29,858,357	23,590,06
Expected return on plan assets	2,547,114	2,036,39
Employer contributions	3,343,375	2,887,76
Employee contributions	2,228,916	1,925,17
(Benefits paid + other outgoings)	(1,611,159)	(1,083,091
Asset gain/(loss)	(350,526)	502,04
Fair value of plan assets at end of period	36,016,077	29,858,35
Distribution of plan assets at end of period		
Percentage of assets at end of year		
Government securities and cash	57.10%	59.109
Loans	4.10%	4.909
Local equities	21.10%	21.909
Overseas bonds and equities	17.00%	13.409
Property	0.70%	0.709
Total	100.00%	100.009

Percentage of assets at end of year	(%)
Assets held in the entity's own financial instruments	0
Property occupied by the entity	0
Other assets used by the entity	0

History of obligations, assets and experience adjustments

Year	2014	2013 (Restated)
Currency	Rs	Rs
Fair value of plan assets	36,016,077	29,858,357
(Present value of defined benefit obligation)	(61,133,399)	(51,679,407)
Surplus/(deficit)	(25,117,322)	(21,821,050)
Asset experience gain/(loss) during the period	(350,526)	502,045
Liability experience gain/(loss) during the period	(3,227,846)	(12,894,607)
Year	2015	
	Rs	
Expected employer contributions	3,319,224	

20. EMPLOYEE BENEFITS

Employee benefits comprise the total balance of sick leaves and accumulated passage benefits not yet availed by employees of the Authority as at respective year ends.

	2014	2013 (Restated)
	Rs	Rs
Balance at start of year	14,839,210	10,335,349
Amount accrued during the year	1,369,022	4,503,861
Balance at end of year	16,208,232	14,839,210
Payable within 1 year	4,491,965	3,819,564
Payable after 1 year	11,716,267	11,019,646
Total	16,208,232	14,839,210

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

21. CREDITORS AND PAYABLES

	2014 Rs	2013 (Restated) Rs
Sundry Creditors		
General Fund	10,165,816	4,883,160
Universal Service Fund	356,660	258,430
Expenses Accrued	50,770,545	55,467,699
TOTAL	61,293,021	60,609,289

22. REVENUE

Income represents licence fees receivable from operators licensed by the Authority on an accrual basis. (2014: Rs 180,571,537; 2013: Rs157,646,696)

23. OTHER INCOME

	2014	2013
		(Restated)
	Rs	Rs
General Fund		
Profit on disposal	-	616,977
Bank interest	15,933,927	13,055,895
Interest on Loan to staffs	207,588	221,967
Income from Fraud Tracking	1,946,368	3,635,228
Income from PKI	50,000	151,747
Sundry Income	168,000	79,000
	18,305,883	17,760,814
Universal Service Fund		
Bank interest	4,788,802	4,186,476
Adjustment	7,463,524	-
Surcharge - USF	5,150,348	1,590,401
TOTAL	35,708,557	23,537,691

ADMINISTRATIVE EXPENSES

	2014	2013	
	Rs	Rs	
General Fund			
Staff Costs	65,823,860	64,859,707	
Fees to Chairman and Board Members	4,273,285	5,296,645	
Rent	7,347,451	7,330,597	
Electricity	1,763,512	1,750,904	
Telephone	1,091,349	1,211,690	
Uniforms	71,500	71,500	
Printing, Stationery and Correspondences	729,062	1,353,594	
Incidentals and Office Expenses	1,009,209	1,056,630	
Motor Vehicle Running Expenses	664,601	846,756	
Loss on Disposal	49,282	-	
Increase in provision for doubtful debts	-	-	
Provision for impairment on fraud tracking project	-	2,925,815	
Maintenance of Equipment & Software	1,459,092	680,699	
Technical Library and Publications	61,335	87,393	
Press Advertisements	881,537	1,180,282	
Insurance	635,804	685,964	
Training & Workshops	747,489	748,686	
Professional Fees	2,110,693	4,612,960	
Depreciation	10,150,582	10,731,558	
SUBTOTAL	98,869,643	105,431,380	
Universal Service Fund			
Incidentals and Office Expenses	1,435	1,035	
TOTAL	98,871,078 105,4		

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

OTHER EXPENSES

	2014	2013 (Restated)
	Rs	Rs
General Fund		
Contribution to International Organizations	7,593,978	4,948,098
Consultancy	3,747,488	1,464,000
Overseas Mission	2,559,088	2,966,362
Donation	263,990	2,744,369
Project Recurrent Costs	30,906,699	48,701,936
Conference	73,021	2,408,046
SUBTOTAL	45,144,264	63,232,811
Universal Service Fund		
Project Recurrent Costs	38,735,875	10,884,050
TOTAL	83,880,139	74,116,861

RELATED PARTY TRANSACTIONS

26.1 Remuneration to management

Key management are persons having authority and responsibility for planning, directing and controlling the activities of the Authority-Related Party Disclosures. During the year, the total remuneration of the key management was as follows:

2014 (Restated) Rs 4,273,285 Allowances paid to Chairman and Board Members 12,875,389 Directors 16,120,657 17,148,674

26.2 Staff Loans

Staff loans include auto cycle and car loans which are refundable in 60 and 84 equal monthly instalments respectively, and bear interest at the rate of 4% per annum. The above also include educational loans to staff members refundable in 60 equal monthly instalments with annual interest rate of 5%.

2013

Rs

4,076,548

12,044,109

	2014	2013
	Rs	Rs
Opening Balance of loan: -		
Receivable within 1 year	1,294,701	972,957
Receivable after 1 year	2,403,807	2,480,279
Loans granted during the year	1,065,425	1,404,000
Loan Installments Received	(1,593,486)	(1,158,728)
Closing Balance	3,170,447	3,698,508
Receivable within 1 year	1,337,309	1,294,701
Receivable after 1 year	1,833,138	2,403,807
	3,170,447	3,698,508

26.3 Board Members

The members of the ICT Authority shall be deemed to be and constitute the members of the Postal Authority in accordance with Section 4(2) of the Postal Services Act 2002.

27 FINANCIAI SUMMARY

21. TINANCIAL SOMMANT					
GENERAL FUND	Period July 09 – Dec 10	Jan 11 – Dec 11	Jan 12 – Dec 12 (Restated)	Jan 13 – Dec 13	Jan 14 – Dec 14
	Rs	Rs	Rs	Rs	Rs
Revenue	189,013,697	131,743,496	296,189,545	157,646,696	180,571,537
Surplus	45,331,569	35,784,513	187,782,020	6,743,319	54,863,513
Equity	271,875,985	267,660,498	714,267,551	235,910,447	250,773,960
Transfer to	(50,000,000)	(40,000,000)	(40,000,000)	(40,000,000)	(40,000,000)
Consolidated Fund					
UNIVERSAL SERVICE F	UND			Jan 13 – Dec 13	Jan 14 – Dec 14
				Rs	Rs
Revenue				132,171,495	106,124,816
Surplus				127,063,287	84,790,180
Equity				572,163,710	656,953,891

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

28 BUDGET NOTES

ICT Authority presents its budget and the financial statements on accrual basis. The approved budget covers the fiscal period from 1 January 2014 to 31 December 2014. The budget was approved by the ICTA Board. The major variances are explained as follows:

- (a) Variance between original and final budget
- 1. Staff Costs:

Some vacant posts which were originally budgeted were not filled and therefore the final budget was reduced accordingly.

- 2. Board and Sub Committees Allowances:
 - From March 2014 to June 2014 there was only Chairman and one Board member. The other Board Members were appointed as from July 2014.
- Printing, Postage & Stationery
 There was a reduction in the number of conferences and workshops.
- Motor vehicles Running Expenses:
 Reduction in maintenance costs as two new vehicles were acquired during the year.
- Rent and rates:
 Provision was made for an increase in rent but no such increase was actually made.
- Protessional tees:Due to a decrease in the number of court cases, the final budget had to be decreased.
- 7. Repairs and maintenance Increase in maintenance due to implementation of Navision.
- 8. Press advertisements

 More press notice was issued.
- Training Workshops:
 Less Training undertaken by the Authority
- Contribution to International Organisations:
 Membership contribution to international organisations like CTO is now being made by the Authority.
- Overseas Mission
 There has been a reduction in the number of the overseas missions.
- 12. Donation:
 A lesser amount has been budgeted with a view to reducing expenditure on donation/sponsorships.
- 13. Conference
 Number of Conference decreased in 2014.

14. Consultancy Costs

Consultancy cost relating to the putting in place of the new framework on market regulation has been included.

15. Project Recurrent Costs

The final budget had been decreased mainly because some projects could not be materialised such as Fraud tracking.

(b) Variance between final budget and actual

1. Licence Fees:

Additional spectrum licences were issued in the last quarter of December 2014 which explains higher revenue from licence fees.

2. Other Income:

The amount relates to interest received from USF account balance.

3. Salaries and allowances:

No recruitment was made during 2014.

4. Board and sub-committees allowances:

From March 2014 to June 2014 there was only one Board member.

5. Motor vehicles Running Expenses:

The Authority is effecting less repairs and maintenance and lesser mileage.

6. Rent and rates:

Provision was made for an increase in rent but no such increase materialised.

7. Professional fees:

Due to a decrease in the number of court cases.

8. Insurance

Lesser amount has been paid for existing vehicles.

9. Repairs and maintenance

Increase in maintenance due to implementation of Navision.

10. Cost of Utilities

Lesser amount has been consumed than budgeted.

11. Press Advertisements

More press notice was issued.

12. Technical Library

Lesser new books and publications have been purchased.

13. Training and workshops

Majority of the trainings have been carried out in-house with the assistance of Commonwealth Telecommunication Organisation (CTO). This has helped to reduce the cost on trainings.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

14. Contribution to International Organisations

Membership contribution to international organisations like CTO is now being made by the Authority.

15. Overseas Mission

The Authority could not participate in a number of projected missions due to various reasons.

16. Donation:

Lesser amounts were donated / sponsored.

17. Conference

An international conference planned during the year was actually not held.

18. Consultancy Costs

Consultancy cost earmarked for implementation of new framework for market regulation has been disbursed in full due to delay in implementation of phases.

19. Project Recurrent Costs

The actual amount is lower than budgeted due to the fact that some projects which were scheduled to start in 2014 were postponed or financed under the USF.

20. Conference:

An international conference planned during the year could not be held.

29 CONTINGENT LIABILITIES

L'Entreprise Telecom, which was awarded the contract for implementation of the Fraud Tracking Project, has lodged a case against the Authority in the Supreme Court of Mauritius. The amount of damage claimed in this suit amounts to USD 4,650,000.

With a view to assessing the probability of the crystallisation of this liability against the Authority, independent legal advice has been sought. The legal assessment and legal advice received on this contingent liability mention that the possibility that the claim will materialise against the Authority is remote. Accordingly, no provision has been made in the financial statements to accrue the USD 4,650,000.

30 CURRENCY

All figures are shown to the nearest Mauritian Rupee.





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