

Tuning the  
Eco Wellbeing  
& Retiring  
in Melody

NIC Multi-Employer Pension Scheme

ANNUAL'  
REPORT **21**

**NIC**

*Multi-Employer Pension Scheme*

# On a Green Note



## Self-care

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Self-care is all about the things we do to take care of ourselves – physically and mentally. It's really important, especially in busy and stressful times. What's good for our bodies is good for the planet – and what's bad for the earth is bad for our health.



## Exercise

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Whether you're 9 or 90, abundant evidence shows exercise can enhance your health and well-being. exercise improves health and can extend your life. can help you avoid a host of serious ailments, including heart disease, diabetes, depression, and several types of cancer, particularly breast and colon cancers.



## Healthy living

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Healthy living means maintaining a healthy lifestyle and introducing habits that improve your health. An important first step is identifying less healthy habits and learning new, positive ones to replace them, such as: eating healthy foods and balanced meals, sleeping well and managing stress.



## Healthy eating

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Eating a healthy diet is not about strict limitations, staying unrealistically thin, or depriving yourself of the foods you love. Rather, it's about feeling great, having more energy, improving your health, and boosting your mood. A healthy diet also protects you against many chronic noncommunicable diseases, such as heart disease, diabetes and cancer.

♭:



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# CHAIRPERSON'S STATEMENT

**O**n behalf of the Board of Trustees, I am pleased to present the annual report of the NIC Multi-Employer Pension Scheme ("NMEPS", "the Fund" or "the Scheme"). The Board of Trustees and our stakeholders pursued the strategy of NMEPS to deliver long term value to all members.

The mission of NMEPS together with that of its Promoter, National Insurance Co. Ltd, is to protect and enhance the pension funds of its members for a peaceful retirement. The Board of Trustees fully takes up this mission and works with dedication and commitment with its key professional partners to deliver effectively along this philosophy.

Despite the unprecedented challenges of the last financial period arising from the pandemic, NMEPS has shown resilience and commendable financial performance, resulting from the prudent, sound and professional approach adopted in its investment and fund management strategy.

COVID-19 has brought a chain of uncertainties and insecurity. It has disturbed and changed the lifestyle of people and changing the way of interaction. Amidst such challenging times, the need for good health and financial security for us and our loved ones is, more than ever, the number one priority for everyone.

Notwithstanding the adverse effects of the pandemic on the investment markets both locally and globally, I am nevertheless glad that the timely and judicious decisions taken by the Board of Trustees over the past 3 years have allowed NMEPS to withstand the financial impact and have brought positive results paving the way for a sustainable growth and promising future ahead.

Bringing such financial security in retirement and protecting the future years of NMEPS



**VIKASH PEERUN**  
Chairperson

members remains the prime focus of the Board of Trustees. Its responsibility is to reassure those who depend on the Fund, now and in the future, through prudent management of entrusted funds and a concurrent forward-looking perspective. Our goal is to ensure that NMEPS continues to be financially robust so that the delivery of this promise remains uninterrupted over the years.

## KEY PERFORMANCE HIGHLIGHTS

The key financial realisations of the Fund for the year under review are as follows:

**Investment returns of 14.2% were realised**, taking the total value of the assets of NMEPS attributable to its members to MUR 111.3 million.

**Investments in financial assets grew by 54.2%** from MUR 70.5 million to MUR 108.7 million;

**Net assets of the Fund grew by 13.7%** over the year from MUR 106.8 million (2020) to MUR 121.4 million (2021);

The General Account remained in surplus at **MUR 10.1m**; and

**Net Benefits of MUR 36.5m were paid** during the period under review compared to MUR 2.1m last year.

## PORTFOLIO EVOLUTION

With the implementation of an extensive early retirement programme by the two sponsoring employers, National Insurance Co. Ltd and NIC General Insurance Co. Ltd, 50% of the active membership became deferred and 48 members opted for their pensions and a total of MUR 36.5 million worth of benefits were paid.

As a result of the material change in the portfolio's demography arising from the above mentioned early retirement programme, the Board of Trustees has mandated an independent review of the present investment policy in line with the revised profile of the membership base.

I am also happy that NMEPS has been approached by a number of new sponsoring employers for adherence. Six new applications have been submitted for regulatory clearance prior implementation.

## ENHANCEMENT OF SCHEME RULES

Alongside, the Board of Trustees has considered and approved a revision of the scheme rules with a view to comply with latest changes in law as well as to provide further flexibilities to prospective

adhering employers in customising their schemes in line with their business needs and budgets.

## CHANGES IN STATUTORY LANDSCAPE

With the welcoming introduction of the tax relief measures on pensions in the recent budget, a culture of retirement savings is already gaining momentum and will surely boost positive developments in the pensions industry in the medium to long term.

## NOW AND BEYOND



We face the future with much optimism and we are confident that the strategies adopted by the Board of Trustees of NMEPS will promote and sustain growth and resilience of the Fund. These strategies, coupled with the recent statutory incentives, are promising for the pensions market at large. The prudential and forward looking approach adopted makes NMEPS well poised for continued and enhanced value creation for its members, active or deferred alike.

Thank you for your trust!



**VIKASH PEERUN**  
Chairperson



A photograph of an elderly man with a mustache and glasses, smiling broadly. He is wearing a light-colored straw hat decorated with purple and blue flowers. He is dressed in a white short-sleeved shirt with a colorful polka-dot pattern and blue cuffs. He is holding a large, vibrant green leaf in front of him with both hands. In the background, the neck of a guitar is visible, suggesting he is playing music. The background is a blurred outdoor setting with greenery and lights.

**♭:** Set the pitch high.  
Health is wealth.

# SCHEME INFORMATION

## VISION

We aim to be the pension scheme of choice for all stakeholders through our commitment, fiduciary responsibility, transparency, accountability and service excellence.

## MISSION

We improve members' lives through our expertise and commitment to educating, communicating with and securing long-term sustainable and rewarding benefits for our members and their beneficiaries.

## CORE VALUES

**Integrity** - we will always be honest, fair, transparent and trustworthy in everything we do.

**Accountability** - to the members and beneficiaries for performance, dedication, and ethical practices in the running of the Scheme.

**Professionalism** - we will always conduct ourselves in a professional manner, demonstrated through compliance with laws, adherence to best practices and by our actions, standing and compassion.

**Service** - we will strive to deliver the highest quality of service to all our stakeholders in an innovative, professional and respectful manner.

**Stewardship** - as stewards of members' funds, we will strive to enhance and increase the value of the fund for our members.

## GUIDING PRINCIPLES

Delivering retirement benefits in an equitable, accurate, courteous, professional, and prompt manner.

Designing and administering innovative bespoke and diverse schemes to employers' and members' needs.

Ensuring that all benefits are appropriately funded.

Maintaining trust through sound and informed decision making and by being an ethical, effective and cost-efficient entity.

Obtaining the highest return on our investment portfolio to grow and thrive in a safe and prudent manner.

Ensuring operational equity between members from both small and large employers.

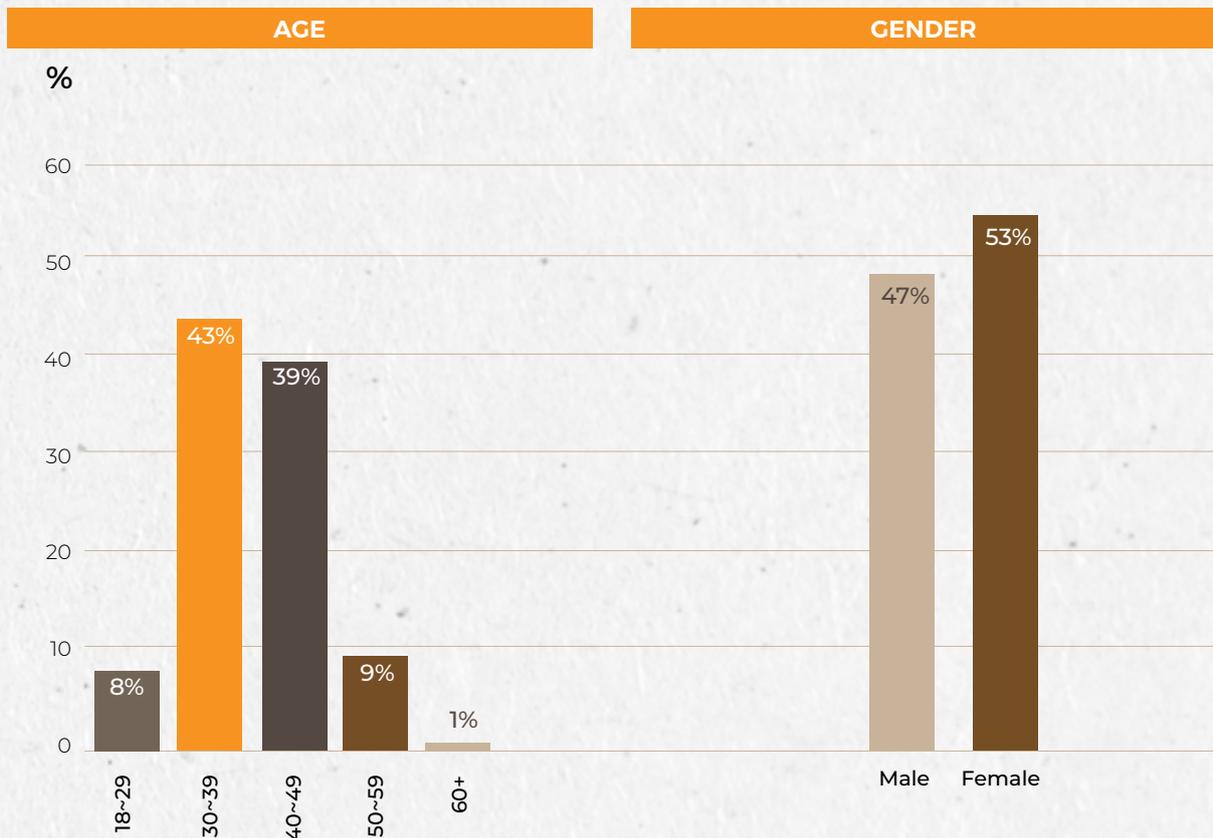
Providing meaningful information, awareness and education to all employers and members in a timely and consistent manner.

Sustaining our role in the advancement of the local pension industry

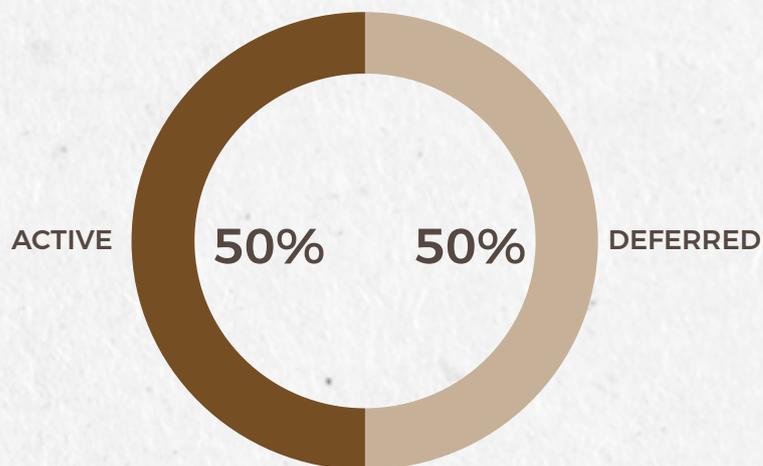


# MEMBERSHIP PROFILE

## AS AT 30 JUNE 2021



### STATUS



# THE BOARD OF TRUSTEES

The Trustees are ultimately responsible for the administration of the Scheme, the management or investment of the assets of the Scheme, ensuring adherence to the terms of the constitutive documents, the protection of the best interest of beneficiaries and ensuring that the Scheme fulfils its overriding objective to provide for pension benefits.



**Mr. Vikash Peerun**

(Appointed Trustee on 27 August 2020 and Chairperson on 05 November 2020)



**Dr. Daneshwar Doobree**

(Appointed Trustee on 27 August 2020 and Vice-Chairperson on 05 November 2020)



**Mr. Laxman Mewasingh**

(Appointed Trustee and Vice-Chairperson on 01 July 2016 - ceased as Vice-Chairperson on 05 November 2020)

Mr Vikash Peerun is currently the Chief Executive Officer of the National Property Fund Ltd, the holding company of the NIC Group. Mr Peerun holds an MSc International Securities, Investment & Banking from the University of Reading, UK, and a BA Dual (Hons) Business Administration & Environment Management from Keele University, UK. He also holds professional membership with the Association of Certified Fraud Examiners, US and is an affiliate of the Association of Chartered Certified Accountants (ACCA). He has significant experience and expertise in the field of financial services, forensic & money-laundering investigation, compliance & management amongst others. He fulfilled several senior roles both locally and internationally with key institutions including SBM Bank (Mauritius) Ltd, Serious Fraud Office (UK) and Independent Commission Against Corruption (Mauritius) amongst others.

Dr. Daneshwar Doobree is presently a Management Consultant and an adjunct Senior Lecturer in Financial Management, Human Resources Management, Good Governance & Corporate Ethics and Research Methodology. He holds a B.A. (Hons) in Economics, M.B.A. (Finance) from the University of Delhi (India), MSc (Human Resources) from University of Surrey (U.K.) and Doctor in Business Administration (DBA) from University of S. Queensland (Australia). He started his career at the Bank of Mauritius as a Clerical Officer in 1976 and served for 35 years in different grades of Research Officer, Senior Research Officer, Assistant Director - Administration and Head - Banking and Currency before retiring in 2015. He has also been an adjunct Lecturer/Senior Lecturer in modules related to Human Resource Management/Business Administration as well as Banking and Finance at the post-graduate, graduate and undergraduate levels at the University of Mauritius and the Open University of Mauritius for the past twenty-five years. He is a Rotarian and is engaged in a number of philanthropic and social activities.

Mr. Mewasingh holds an LLM in International Business Law and an LLB (Hons) and cumulates over 17 years of professional experience. He is currently Head of Compliance at Rogers Capital Finance Ltd and has, in the past, worked in the Legal & Compliance fields at BAI Co (Mtius) Ltd, National Insurance Co Ltd and in the Global Business sector, namely for the Federal Trust (Mauritius) Ltd and Mauritius International Trust Company Ltd.



**Mrs. Chitra Devi Moonoosamy**

(Appointed Trustee and Chairperson on 01 July 2016 - ceased as Chairperson on 05 November 2020 and appointed as Contact Person on 05 November 2020)

Mrs. Moonoosamy holds a BSc (Hons) in Economics, a Bachelor (Hons) in Law and an LLM in International Financial and Commercial Law. She is a Chartered Governance Professional and a Fellow Member of The Chartered Governance Institute (FCG), a Chartered Member of the Chartered Institute of Personnel and Development (CIPD) and a Fellow Member of the Institute of Directors. She is the Chief Services Officer at the National Insurance Co. Ltd, NIC General Insurance Co. Ltd and NIC Properties Co. Ltd, and is presently in charge of the Life & General Insurance Operations Legal & Compliance and Human Resources. She also fulfils the roles of Chairperson on the Board of Trustees of the NIC Multi-Employer Pension Scheme and Money Laundering Reporting Officer of NIC Group. She has held various strategic positions in her cross-industry experience of over 25 years notably in Insurance, Financial Services, Business Process Outsourcing, Healthcare Services and Retail markets.



**Mr. Shakeel Summun**

(Appointed Trustee on 26 August 2021)

Mr. Summun is a Fellow of the Association of Chartered Certified Accountants and a CFA Charter holder. He cumulates over 20 years of professional experience in the Financial Services sector. He is the Chief Financial Officer of the National Insurance Co. Ltd, NIC General Insurance Co. Ltd and NIC Properties Co. Ltd. He is presently in charge of the Finance, Investment, Actuarial, Pensions, Premium Management and Loans functions. He was a former Panel Network Member of ACCA Mauritius. He has been in practice as auditor with Deloitte Mauritius and Ernst & Young as well as worked in the offshore sector as Client's Accountant. He has held several C-Level positions in the Insurance Industry and assisted on international projects. He was also a former board member, as an Independent Non-Executive Director, of the SBM Bank (Mauritius) Ltd. In 2014, he was awarded the "Young Achiever Award 2014" by the Africa Leadership Awards.



**Mr. Kailash Kumar Moloye**

(Appointed Trustee and Contact Person on 01 July 2016 - ceased on 10 November 2020)

Mr. Moloye is a Chartered Governance Professional and a Fellow Member of The Chartered Governance Institute (UK). He holds a BSc (Hons) in Management and a Diploma in Business Administration and cumulates over 20 years of sound business and corporate governance experience in the financial services sector. His experience also encompasses portfolio management of offshore and domestic companies, including small private, large private/public and public listed companies. He is also member of the Mauritius Institute of Directors and ICOSA (Mauritius), respectively. Mr. Moloye has ceased on 10 November 2020.

# CORPORATE INFORMATION

## SPONSORING EMPLOYERS

NATIONAL INSURANCE CO. LTD  
NIC GENERAL INSURANCE CO. LTD

## REGISTERED OFFICE

NIC CENTRE  
217 ROYAL ROAD  
CUREPIPE  
REPUBLIC OF MAURITIUS

## ADMINISTRATOR

NATIONAL INSURANCE CO. LTD  
NIC CENTRE  
217 ROYAL ROAD  
CUREPIPE  
REPUBLIC OF MAURITIUS

## ACTUARY

AON HEWITT LTD  
1ST FLOOR, THE POD  
VIVÉA BUSINESS PARK  
MOKA  
REPUBLIC OF MAURITIUS

## AUDITORS

MOORE  
CHARTERED ACCOUNTANTS  
6TH FLOOR, NEWTON TOWER  
SIR WILLIAM NEWTON ST, PORT LOUIS  
REPUBLIC OF MAURITIUS

## BANKERS

THE MAURITIUS COMMERCIAL BANK LTD  
SIR WILLIAM NEWTON STREET  
PORT LOUIS  
REPUBLIC OF MAURITIUS

## CUSTODIAN

THE MAURITIUS COMMERCIAL BANK LTD  
5TH FLOOR, HARBOUR FRONT BUILDING  
PRESIDENT JOHN KENNEDY STREET  
PORT LOUIS  
REPUBLIC OF MAURITIUS

## INVESTMENT MANAGER

MCB INVESTMENT MANAGEMENT CO. LTD  
9-15 SIR WILLIAM NEWTON STREET  
PORT LOUIS  
REPUBLIC OF MAURITIUS

## COMPANY SECRETARY

PRIME PARTNERS LTD  
15TH FLOOR, AIR MAURITIUS CENTRE 6  
PRESIDENT JOHN KENNEDY STREET  
PORT LOUIS  
REPUBLIC OF MAURITIUS

# ABOUT OUR SERVICE PROVIDERS

## **NATIONAL INSURANCE CO. LTD**

The National Insurance Co. Ltd offers an end to end service for private pension schemes. This entails setting up of tailored pension arrangements that meet clients' needs, drafting rules of the pension arrangement, seeking approval from the regulator, preparing and delivering member communications and administering the pension arrangement. The Company currently administers pension schemes of over MUR 400 million.

## **AON HEWITT LTD**

Established in 1997, Aon Hewitt is an actuarial, employee benefits and investment consultancy firm which provides actuarial consultancy services to more than 200 clients in Mauritius and other countries with total scheme assets in excess of MUR 100 billion. Aon Hewitt has 37 associates in Mauritius and is the leading provider of HR and employee benefit consulting and outsourcing services.

## **MOORE**

MOORE has been operating since 1990 and is part of the Moore Global Network, which is one of the world's leading international accounting and consulting organisations outside the Big Four. Today their network has 301 independent firms and 626 offices in 108 countries throughout the world.

## **THE MAURITIUS COMMERCIAL BANK LIMITED**

The Mauritius Commercial Bank Limited has been active in banking services in Mauritius since 1838 and has over 25 years experience in providing custody services to institutional clients. MCB currently has over USD 12.2 billion of assets and over 2,250 client portfolios under custody.

## **MCB INVESTMENT MANAGEMENT CO. LTD**

MCB Investment Management Co. Ltd is licensed and regulated by the Financial Services Commission to conduct investment management and advisory services. With over 20 years of solid experience and track record in advising and managing pension and investment funds, MCBIM currently has assets under management of around MUR 30 billion. Its is a subsidiary of MCB Capital Markets Ltd which offers services such as Corporate Finance, Advisory, Investment Management, Stockbroking, Private Equity and Registry.

## **PRIME PARTNERS LTD**

Prime Partners Ltd is a wholly owned subsidiary of The State Investment Corporation Limited and is actively involved in the provision of statutory corporate secretarial services and registrar and transfer office services to Domestic Companies/ Trusts/Mutual Funds registered in Mauritius.



  
♭: Life in a Tenor, mode



# INVESTMENT POLICY STATEMENT

## INVESTMENT

### TIME HORIZON

The Scheme invests in long term assets and the ultimate objective is to maximise returns over the long term, bearing in mind risk levels and diversification. These investment objectives of the Scheme are not framed relative to the performance of other pension schemes or market indices, although these can be used to measure the performance of the assets chosen.

### ADMISSIBLE ASSETS AND LIMITATIONS

The Scheme is allowed to invest in the following assets:

- Local and foreign equities
- Local and foreign fixed income instruments

General restrictions and limitations are in line with the Private Pension Schemes (Investment) Rules 2013.

### ASSET ALLOCATION STRATEGY AND LIMITS

Strategic asset allocation should be the outcome of a systematic process that balances risk and reward, taking into account the Scheme's specific liability structure, its maturity, the investment time horizon and risk tolerance. The strategic long term asset allocation is arguably the most important decision that an investor is required to make.

### REBALANCING OF ASSET ALLOCATION

The Trustees have accepted the responsibility for determining the strategic asset allocation for the Scheme, guided by the Scheme's investment objectives and constraints. In setting the strategic asset allocation policy, the Trustees have taken into account the statutory requirements with regards to the asset classes allowed for investment, the risk and return characteristics of the different asset classes and the benefit of diversification.

The Trustees understand that exposure to assets with more risk is required in order to achieve the long-term target real returns. Short-term losses are less important for investors with a long-term horizon as there is time to recover from the loss. However, members close to retirement have no such long-term horizon and do not have time to recover losses.

The investment strategy has been discussed with the Actuary. This strategic asset allocation will be reviewed at least once every 3 years to make sure

that the investments of the Scheme are still in line with the age profile of the Members.

### INVESTMENT MONITORING

The performance of the Pension Investment Manager will be assessed against its ability to add value within each asset as well as by actively managing the asset allocation within the permitted variances. 2,250 client portfolios under custody. Registry.

## RISK MANAGEMENT

### RISKS

The Trustees recognise a number of risks involved in the investment of the Scheme assets, including:

- The risk of failing to meet members' expectations. To mitigate this risk the Trustees will take advice and monitor the investments at least quarterly.
- Equity Risk - Equity risk is the risk that share prices will change. The Trustees have decided to expose the Scheme to equity risk. The exposure is taken in order for the Scheme to benefit from the superior inflation beating returns that equities offer over the long term compared to any other asset class.
- Inflation Risk - Inflation risk is the risk that general prices of goods and services will go up over time. In order to prevent the assets of the Scheme from losing purchasing power, the Scheme's investment return objective aims to exceed inflation.
- Interest Rate Risk - Interest rate risk is the risk that interest rates will change and that this will negatively or positively affect the relative value of interest bearing assets such as bonds. The Trustees have decided to expose the Scheme to interest rate risk. This exposure is taken in order for the Scheme to benefit from the additional diversification that interest bearing assets bring to an investment portfolio.
- Currency Risk - The Trustees have decided to expose the Scheme to currency risk, which occurs when all the assets and liabilities of the Scheme are not denominated in the same currency. This exposure is taken in order for the Scheme to benefit from the additional diversification offered by investing abroad.

- Risk of inadequate diversification or inappropriate investments. Diversification will be achieved by spreading the investments across several asset classes as approved by the Trustees.
- Liquidity risk - This is controlled by giving preference to investments which are rather liquid and can be traded at short notice.
- Geographical, currency and political risks - These are mitigated through the approach to diversification.
- Ensuring members of the Board of Trustees are educated on an on-going basis to equip them to effectively carry out their functions
- Adhering to all applicable Legislation/Rules
- Exercising any voting rights on behalf of the Scheme. The Trustees can choose to allow the Pension Investment Managers of the investment options to exercise any voting rights on behalf of the Scheme

The Trustees will keep the risks under regular review.

#### **RISK OBJECTIVES AND TOLERANCE**

The Trustees require:

- The Scheme to be broadly diversified across and within asset classes to limit the volatility of the overall Scheme investment return.
- Pension Investment Managers to comply with the Private Pension Schemes (Investment) Rules 2013.
- Compliance with all elements of the Investment Policy Statement.

The Trustees will monitor the variation in returns achieved by the Investment Managers and portfolios as well as the Scheme as a whole on a quarterly basis.

## **POLICY GUIDELINES**

#### **FIDUCIARY DUTY**

The Trustees have the ultimate fiduciary responsibility for the Management of the Scheme. The Trustees are responsible for:

- Establishing, approving and maintaining the Investment Policy Statement, Periodically evaluating the investment performance of the investment options offered, based on the levels of risk and associated risk time horizons of the investments
- Disclosing the Investment Policy Statement on a regular basis to Members

- Disclosing any potential conflicts of interest.

#### **BEST INVESTMENT DECISION AND EXECUTION**

Investment decisions will be executed in the best interests of the Scheme taking into account the investment policy agreed by the Trustees. In addition, the price, costs, speed, probability of completion and settlement, size, nature and other relevant trade issue of the investments and markets will be taken into account whilst choosing the best broker, trading system and platform, etc in achieving the best results on the trade.



# INVESTMENT MANAGER'S REVIEW

## MARKET REVIEW

After an unprecedented sanitary crisis in 2020, the global rush towards vaccines and the spectre of new variants threatening to derail world recovery, equities advanced essentially supported by the accelerating roll-out of Covid-19 vaccines and continued fiscal policy and loose monetary policies.

On the domestic front, SEMDEX and DEMEX both closed the financial year June 2021 (FY21) in positive territory, up by 12.1% and 37.5% respectively. The financial year started on a negative tone. The roll out of the vaccination program in November 2020 coupled with the strong support of the Mauritius Investment Corporation (MIC) in distressed sectors of the economy helped the local market to rally strongly. Mauritius encountered a second wave of Covid-19 in March 2021 and a subsequent lockdown ensued. The local indices maintained their rally during the last quarter of FY21 as market optimism was now tilted to the upside with the Government of Mauritius ramping up vaccination locally, aiming to reach at least 60% of the population by October 2021.

On the international front, developed market equities rebounded strongly but were outclassed by the performance of emerging markets. The Federal Reserve's rate-setting meeting brought no change to policy but its projections indicated that interest rate rises could come in 2023. Major central banks followed suit and maintained loose monetary policies to support recovery, while governments around the world injected record sums of liquidity to help enterprises get through the crisis. Many countries saw Covid-19 infections fall over the last quarter of the financial year and were able to loosen restrictions on social and economic activity, and helped to maintain the market momentum.

With regard to the local fixed income asset class, the Monetary Policy Committee of the Bank of Mauritius maintained the Key Repo Rate at 1.85% throughout the financial year as the members resolved that the 'current monetary policy stance was deemed appropriate as it would help to revive growth and mitigate the impact of Covid19 on the economy'. Headline inflation as at June 2021 was recorded at 2.2%, with inflation expected to be on the rise for the upcoming year. Yields bottomed

in January 2021, before rebounding strongly during the last quarter of FY21 with yields rising between 30 bps to 200 bps across the yield curve in this short lapse of time. On the corporate side, the market remained quite active with numerous corporate bond issues as companies tried to secure financing at competitive rates, despite the fact that credit risk of corporates rose significantly over the year.

Global fixed income performed well both in the investment grade and high-yield space. However, with inflation print coming higher of late, yields started rising and affecting returns in this asset class. The Fed's gradual forward guidance should mean pick-up in yields remains orderly and limited, rather than tantrum-like.

As our borders remained closed to tourism for the period, the MUR weakened even further from MUR39.95/USD to MUR42.50/USD which translates to a depreciation of 6.4% of the MUR with respect to the USD. Similarly, the EUR moved from MUR 44.845/EUR to MUR50.545/EUR. Foreign exchange dealers continue to privilege essential services (import of food and medical supplies) to the detriment of investment services' needs to-date, pending full re-opening of borders in October 2021.



**“ The best tunes  
are played on the  
oldest fiddles ”**

**Ralph Waldo Emerson**



# INVESTMENT MANAGER'S REVIEW

## PERFORMANCE REVIEW

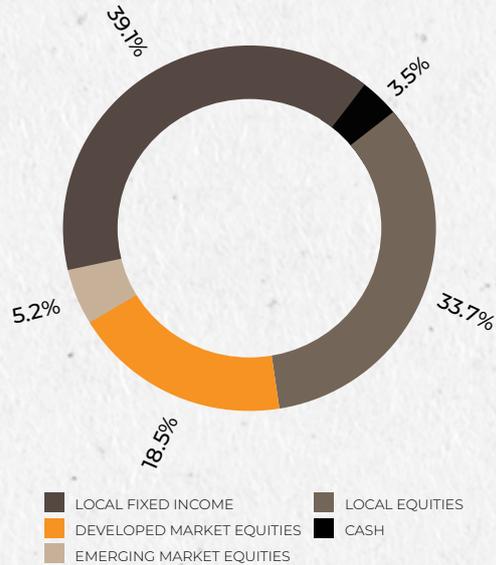
For the financial year under review, the portfolio returned 14.2% essentially driven by global equities and local fixed income.

The asset and currency allocation as at 30 June 2021 is as illustrated:

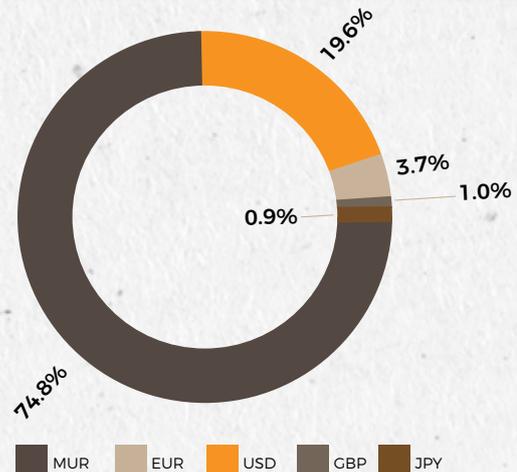
## OUTLOOK

Market sentiment locally and abroad remain broadly positive as vaccination attains herd immunity territory, although covid-related variants are threatening to derail the growth recovery path. The remainder of the year could be jittery given elevated expectations and valuations, hawkish forward looking monetary policy statement and direction from the Federal Reserve, and impact of regulatory reforms across different sectors in China.

## PORTFOLIO - MUR 112.6 Million



## CURRENCY ALLOCATION





**9: REPORT OF  
THE BOARD OF  
TRUSTEES**

# GENERAL INFORMATION

The Board of Trustees has the pleasure to submit its report together with the audited financial statements of **NIC MULTI-EMPLOYER PENSION SCHEME** (the “Scheme”) for the year ended 30 June 2021.

## ESTABLISHMENT

The Scheme was established on 01 July 2016.

The Scheme was licensed by the Financial Services Commission under the Private Pension Schemes Act 2012 on 16 October 2017 to operate as a Pension Scheme.

## OBJECT

The object of the Scheme is to provide retirement, withdrawal, death and disablement benefits for the beneficiaries as described in the Rules (the “Rules”) of the Scheme. Membership is open to any Sponsoring Employer willing to join the Scheme and their adherence to the Scheme is subject to the approval of the Financial Services Commission. Each Sponsoring Employer participating in the Scheme will have its own Rules whereby benefits are tailored to their requirements. The Sponsoring Employers and eligible employees, where applicable, are required to make monthly

contributions to the Scheme in accordance with the Rules.

## SCHEME'S POLICY

Contributions to the Scheme are paid monthly in arrears and represent a percentage of the monthly Pensionable Salary of each eligible employee. Such contributions go into each Personal Member Account (PMA). The sponsoring employers also contribute a percentage of monthly Pensionable Salary to cover for all administrative and other expenses and cost of death and disablement risks referred to in the Rules of the Scheme. All employees who are members of the Scheme may make additional voluntary contributions to the Scheme.

## INVESTMENT POLICY

The Board of Trustees determines, in conjunction with the Actuary, the investment policy to be adopted by the Scheme.

## BOARD OF TRUSTEES

The Board of Trustees is made up as follows:

Name	Title	Date appointed	Date resigned
Mr. Vikash Peerun	Chairperson	27 Aug 2020	-
Dr Daneshwar Doobree	Vice-Chairperson	27 Aug 2020	-
Mrs Chitra Devi Moonosamy	Trustee	01 July 2016	-
Mr Laxman Mewasingh	Trustee	01 July 2016	-
Mr Kailash Kumar Molye	Trustee	01 July 2016	10 Nov 2020
Mr Shakeel Summun	Trustee	26 Aug 2021	-

## TRUSTEES MEETING ATTENDANCE

The attendance of members of the Board of Trustees at meetings during the financial years ended 30 June 2021 and 2020.

	Year ended 30 June 2021	Year ended 30 June 2020
Mr. Vikash Peerun	2/2	-
Dr Daneshwar Doobree	2/2	-
Mrs Chitra Devi Moonoosamy	4/4	2/2
Mr Laxman Mewasingh	4/4	2/2
Mr Kailash Kumar Moloye	2/2	2/2
Mr Shakeel Summun	N/A	N/A

## BENEFITS PAYABLE UNDER THE SCHEME

The Scheme is a defined contribution plan.

### RETIREMENT BENEFITS

The benefits payable under the Scheme are summarised as follows:

- (a) When a member retires from service on his normal retirement date, he shall become entitled to a pension that shall be calculated by applying the appropriate Annuity Factor then in force to his Personal Member Account (PMA). The Member may also elect to apply, instead, for a joint pension on his life and that of his spouse.
- (b) A member may retire from service on or after attaining an Appropriate Retirement Age, with the consent of his employer. He shall then be entitled to a pension that shall be calculated by applying the appropriate Annuity Factor then in force to his PMA. Appropriate Retirement Age is as defined by the Private Pension Schemes (Licensing and Authorisation) Rules 2012.
- (c) A member may retire early from service on account of permanent ill-health, if the retirement is with the consent of the employer and the trustees on the condition that the

trustees receive satisfactory medical evidence of the member's ill-health and:

- (i) the trustees have received evidence from a registered medical practitioner that the member is (and will continue to be) incapable of carrying on his occupation because of physical or mental impairment, and
- (ii) the member has in fact ceased to carry on his occupation.

The member will then be entitled to a pension that shall be calculated by applying the appropriate Annuity Factor then in force to his PMA.

- (d) A member may, with the consent of the employer, take a late retirement and will be entitled to a pension that shall be calculated by applying the appropriate Annuity Factor then in force to his PMA.
- (e) Members also have a number of commutation options to choose at retirement.

### DEATH AND DISABLEMENT BENEFITS

- (a) Death in service: A lump sum benefit equal to a multiple of the member's monthly pensionable salary is payable to his beneficiary and a pension is paid to the spouse, this pension being calculated by applying the

# GENERAL INFORMATION

appropriate Annuity Factor then in force to the PMA. In case there is no spouse, a lump sum equal to the PMA is paid to the legal personal representative.

Death occurring after retirement: the spouse, if any, will receive a pension, previously secured by his PMA at his date of retirement and depending on the commutation option previously chosen.

Death in deferment: A lump sum benefit equal to the PMA at the day before his date of death is payable.

- (b) Disablement benefits: A lump sum benefit equal to a multiple of the member's monthly pensionable salary is payable.

## BOARD OF TRUSTEES' RESPONSIBILITIES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

The Board of Trustees is responsible for the preparation and fair presentation of the financial statements, comprising the statement of net assets available for benefits as at 30 June 2021, and the statement of changes in net assets available for benefits, general account and statement of cash flows for the year then ended, and the notes to the

financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and comply with the Private Pension Schemes Act 2012.

The Board of Trustees's responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Board of Trustees has made an assessment of the Scheme's ability to continue as a going concern and has no reason to believe the Scheme will not be a going concern in the year ahead.

## MEMBERSHIP

At 30 June 2021, there were **139** active members (30 June 2020: 299), **140** deferred members (30 June 2020: 27) and **48** pensioners (30 June 2020: **4**).

The membership of the Scheme at the beginning and end of period and changes during the year are set out as below:

## ACTIVE MEMBERS

	Count Year 2021	Count Year 2020
<b>ACTIVE MEMBERS AT START</b>	<b>299</b>	<b>311</b>
New entrants	3	7
<b>LEAVERS AND EXITS DURING THE YEAR:</b>		
Retirements	(48)	(4)
Death	-	-
Deferred pensioners	(113)	(14)
Transfer outs	(2)	(1)
<b>ACTIVE MEMBERS AT END</b>	<b>139</b>	<b>299</b>

## DEFERRED MEMBERS

	Count Year 2021	Count Year 2020
<b>DEFERRED MEMBERS AT START</b>	<b>27</b>	<b>13</b>
New deferred pensioners	113	14
<b>EXITS DURING THE YEAR:</b>		
Retirements	-	-
Death	-	-
Transfer outs	-	-
<b>DEFERRED MEMBERS AT END</b>	<b>140</b>	<b>27</b>

## TRUSTEES' REMUNERATION

	2021 (MUR)	2020 (MUR)
Mr. Vikash Peerun	160,000	-
Dr Daneshwar Doobree	120,000	-
Mrs Chitra Devi Moonoosamy	60,000	-
Mr Laxman Mewasingh	60,000	-
Mr Kailash Kumar Moloye	-	-
Mr Shakeel Summun	-	-
<b>TOTAL</b>	<b>400,000</b>	<b>-</b>

## AUDITORS

The auditors **MOORE** (Chartered Accountants), have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the next meeting of the Board of Trustees.

For and on behalf of the Board of Trustees



Mr. Vikash Peerun  
Chairman



Dr. Daneshwar Doobree  
Vice Chairman

Date: 29 September 2021







**9: INDEPENDENT  
AUDITORS'  
REPORT**

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
NIC MULTI-EMPLOYER PENSION SCHEME**

**Report on the audit of the financial statements**

**Opinion**

We have audited the financial statements of **NIC MULTI-EMPLOYER PENSION SCHEME** (the "Scheme") as set out on pages 37 to 54, which comprise the statement of net assets available for benefits as at 30 June 2021 and the statement of changes net assets available for benefits, the general account, and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements give a true and fair view of the financial position of the Scheme as at 30 June 2021 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the requirements of the Private Pension Scheme Act 2012.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the financial statements section of our report. We are independent of the Scheme in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information**

The Board of Trustees is responsible for the other information. The other information comprises the Report of the Board of Trustees, the Chairperson's Statement, the Scheme Information, the Investment Policy Statement, the Investment Manager's Review and any other information. The other information does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

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

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
NIC MULTI-EMPLOYER PENSION SCHEME (Continued)**

**Report on the audit of the financial statements (Continued)**

**Board of Trustees' responsibility for the financial statements**

The Board of Trustees is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in compliance with the Private Pension Scheme Act 2012, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Trustees is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Scheme or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Scheme's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- Conclude on the appropriateness of the Board of Trustees' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
NIC MULTI-EMPLOYER PENSION SCHEME (Continued)**

**Report on the audit of the financial statements (Continued)**

**Auditors' responsibilities for the audit of the financial statements (Continued)**

- Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Other Matter**

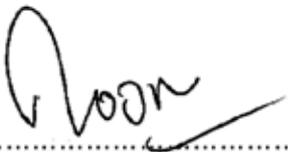
This report is made solely to the Scheme's members. Our audit work has been undertaken so that we might state to the Scheme's members those matters that we are required to state in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Scheme and the Scheme's members, for our audit work, for this report, or for the opinions we have formed.

**Report on other legal and regulatory requirements**

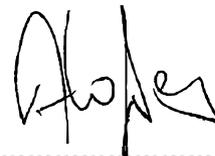
We have no relationship with or interests in the Scheme other than in our capacity as auditors.

We have obtained all the information and explanations required.

In our opinion, proper accounting records have been kept by the Scheme as far as it appears from our examination of those records.



.....  
**MOORE**  
Chartered Accountants  
Port Louis  
Mauritius



.....  
**Arvin Rogbeer, FCA, FCCA**  
Licensed by FRC

Date: 29 September 2021

A person wearing a red plaid shirt is seen from the side, working at a wooden workbench. The workbench is cluttered with various tools and materials, including a large wooden mallet, a dark liquid in a glass bottle, a white plastic bottle, and several pieces of wood. The background is a workshop with wooden walls and a window. The text is overlaid on the left side of the image.

**♫: Passionately Nurturing  
the Tendrils  
of the future**





9: FINANCIAL  
STATEMENTS

# STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

{ as at 30 June 2021

	NOTES	2021	2020
		(MUR)	(MUR)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments in financial assets	7	108,719,540	70,500,816
<b>Current assets</b>			
Accounts receivable	8	9,780	36,489
Cash and cash equivalents	9	14,566,212	38,240,806
Current assets		14,575,992	38,277,295
<b>Current liabilities</b>			
Accounts payable	10	(1,899,229)	(1,990,119)
<b>Net current assets</b>		<b>12,676,763</b>	36,287,176
Net assets		121,396,303	106,787,992
<b>Financed by:</b>			
Personal Member Account	11	111,253,821	96,485,469
General Account	11	10,142,482	10,302,523
<b>Personal Member Account and General Account</b>		<b>121,396,303</b>	106,787,992

These Financial Statements have been approved by the Board of Trustees on 29 September 2021 and signed on its behalf by:



Mr. Vikash Peerun  
Chairman



Dr. Daneshwar Doobree  
Vice Chairman

Date: 29 September 2021

The notes on pages 41 to 54 form an integral part of these financial statements. | Independent Auditors' Report on pages 31 to 33.



# STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

{ for the year ended 30 June 2021

	NOTES	2021	2020
		(MUR)	(MUR)
<b>Contributions</b>			
Employers' contributions		23,271,127	14,538,565
Employees' contributions		15,086,510	15,108,110
<b>Total contributions</b>	11	<b>38,357,637</b>	29,646,575
<b>Return on investments</b>			
Fair value gain on financial assets at fair value through profit or loss	7	10,949,460	124,281
Foreign exchange gains		212,472	477,990
Net dividend income		377,486	676,448
Interest income		1,364,139	995,127
<b>Total return on investments</b>		<b>12,903,557</b>	2,273,846
Benefits paid		(36,492,843)	(2,062,010)
<b>Net assets available for benefits</b>		<b>14,768,351</b>	29,858,411

The notes on pages 41 to 54 form an integral part of these financial statements. | Independent Auditors' Report on pages 31 to 33.

# GENERAL ACCOUNT

{ for the year ended 30 June 2021

	<b>2021</b>	<b>2020</b>
	(MUR)	(MUR)
<b>Income</b>		
Contribution towards expenses	<b>2,393,252</b>	3,531,706
<b>Total income</b>	<b>2,393,252</b>	3,531,706
<b>Expenses</b>		
Administration fees	<b>528,217</b>	1,124,985
Investment manager fees	<b>622,783</b>	425,144
Custodian fees	<b>83,564</b>	61,093
Actuarial fees	<b>690,000</b>	575,000
Audit fees	<b>103,500</b>	109,250
Licence fees	<b>9,750</b>	-
Secretarial Fees	<b>109,480</b>	-
Trustee Fees	<b>400,000</b>	-
Other expenses	<b>5,999</b>	3,933
<b>Total expenses</b>	<b>2,553,293</b>	2,299,405
<b>(Deficit) / Surplus of income over expenses for the year</b>	<b>(160,041)</b>	1,232,301

The notes on pages 41 to 54 form an integral part of these financial statements. | Independent Auditors' Report on pages 31 to 33.

# STATEMENT OF CASH FLOWS

{ for the year ended 30 June 2021

	NOTES	2021	2020
		(MUR)	(MUR)
<b>Operating activities</b>			
Contributions received		<b>38,357,637</b>	29,646,575
Administrative fees received		<b>2,393,252</b>	3,531,706
Benefits paid		<b>(36,492,843)</b>	(2,062,010)
Movement in accounts receivable		<b>26,710</b>	1,449,514
Movement in accounts payable		<b>(90,890)</b>	(1,918,194)
General account expenses		<b>(2,553,293)</b>	(2,299,405)
<b>Net cash generated from operating activities</b>		<b>1,640,573</b>	28,348,186
<b>Investing activities</b>			
Interest income		<b>1,364,139</b>	995,127
Dividends received		<b>377,486</b>	676,448
Disposal of financial assets at fair value through profit or loss	7	<b>2,946,980</b>	20,526,542
Purchase of financial assets at fair value through profit or loss	7	<b>(30,216,244)</b>	(68,058,038)
<b>Net cash used in investing activities</b>		<b>(25,527,639)</b>	(45,859,921)
<b>Net change in cash and cash equivalents</b>		<b>(23,887,066)</b>	(17,511,735)
Cash and cash equivalents, beginning of year		<b>38,240,806</b>	55,274,551
Exchange differences on cash and cash equivalents		<b>212,472</b>	477,990
<b>Cash and cash equivalents, end of year</b>	9	<b>14,566,212</b>	38,240,806

The notes on pages 41 to 54 form an integral part of these financial statements. | Independent Auditors' Report on pages 31 to 33.

# NOTES TO THE FINANCIAL STATEMENTS

{ for the year ended 30 June 2021

## 1. GENERAL INFORMATION AND STATEMENT OF

**NIC MULTI-EMPLOYER PENSION SCHEME** (“the Scheme”) was established on 01 July 2016 in the Republic of Mauritius. On 16 October 2017, the Scheme was licensed by the Financial Services Commission to operate as a Private Pension Scheme under the Private Pension Schemes Act 2012. The Scheme’s registered office is NIC Centre, 217 Royal Road, Curepipe, Republic of Mauritius.

The financial statements of the Scheme comply with the Private Pension Schemes Act 2012 and have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

## 2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSS)

(a) Standards, Amendments to published Standards and Interpretations effective in the reporting period

In the current year, the following new and revised standards and interpretation issued by the IASB became mandatory for the financial year beginning on 01 July 2020:

- Applying IFRS 9 ‘Financial Instruments’ with IFRS 4 ‘Insurance Contracts’ (Amendments to IFRS 4)
- Amendments to References to the Conceptual Framework in IFRS Standards
- Definition of a Business (Amendments to IFRS 3)
- Definition of Material (Amendments to IAS 1 and IAS 8)
- Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)
- Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

IFRS 16 Leases results in the recognition of almost all leases on balance sheet. The

standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. The adoption of IFRS 16 has no impact on the financial statements as the Scheme does not have any lease arrangements.

IFRIC 23 Uncertainty over Income Tax Treatments explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. There are no new disclosure requirements but requirement to provide information about judgements and estimates made in preparing the financial statements. The interpretation has no impact on the Scheme’s financial statements.

Prepayment Features with negative compensation (Amendments to IFRS 9) enable entities to measure certain prepayable financial assets with negative compensation at amortised cost. These assets, which include some loan and debt securities, would otherwise have to be measured at fair value through profit or loss. To qualify for amortised cost measurement, the negative compensation must be ‘reasonable compensation for early termination of the contract’ and the asset must be held within a ‘held to collect’ business model. The amendment has no impact on the Scheme’s financial statements.

Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28) clarify the accounting for long-term interests in an associate or joint venture, which in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. Entities must account for such interests under IFRS 9 before applying the loss allocation and impairment requirements in IAS 28. The amendments has no impact on the Scheme’s financial statements.

### Annual Improvements to IFRSs 2015-2017 Cycle

IFRS 3 – clarified that obtaining control of a business that is a joint operation is a business combination achieved in stages.

# NOTES TO THE FINANCIAL STATEMENTS

{ for the year ended 30 June 2021

IFRS 11 – clarified that party obtaining joint control of a business that is a joint operation should not remeasure its previously held interest in the joint operation.

IAS 12 – clarified that income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.

IAS 23 – clarified that, if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

The amendments have no impact on the Scheme's financial statements.

Plan Amendment, Curtailment or Settlement (Amendments to IAS 19) clarify that entities must:

- calculate the current service cost and net interest for the remainder of the reporting period after a plan amendment, curtailment or settlement by using the updated assumptions from the date of the change.
- recognise any reduction in a surplus immediately in profit or loss, either as part of past service cost or as a gain or loss on settlement. In other words, a reduction in a surplus must be recognised in profit or loss even if that surplus was not previously recognised because of the impact of the asset ceiling.
- separately recognise any changes in the asset ceiling through other comprehensive income.

The amendments have no impact on the Scheme's financial statements.

- (b) New and revised IFRS Standards in issue but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after 01 July 2021, or

later periods, but which the Trust has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)
- Reference to the Conceptual Framework (Amendments to IFRS 3)
- Property, Plant and Equipment – Proceeds before Intended Use (Amendments to IAS 16)
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)
- Annual Improvements to IFRS Standards 2018-2020
  - IFRS 1 First-time Adoption of International Financial Reporting Standards - Subsidiary as a first-time adopter,
  - IFRS 9 Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liabilities,
  - IFRS 16 Leases - Lease incentives, and
- Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS and IFRS 16)
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Definition of Accounting Estimates (Amendments to IAS 8)

Where relevant, the scheme is still evaluating the effect of these Standards, Amendments to the published Standards and Interpretations issued but not yet effective, on the presentation of its financial statements

### 3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 3.1 Basis of preparation

The financial statements of NIC MULTI-EMPLOYER PENSION SCHEME comply with the Private Pension Schemes Act 2012 and have been prepared in accordance with International Financial Reporting Standards (IFRSs).

The financial statements are presented in Mauritian Rupee (MUR).

The financial statements are prepared under the historical cost convention, except that financial assets and financial liabilities are stated at their fair values or carried at amortised cost.

#### 3.2 Financial assets

The Scheme classifies its financial assets into the following categories depending on the purpose for which the asset was acquired. Other than financial assets in a qualifying hedging relationship, the Scheme's accounting policy is as follows:

##### Fair Value Through profit or loss (FVPL)

The Scheme classifies the following financial assets at FVPL :

- Debt investments for which the entity has not elected to recognise fair value gains and losses through OCI;
- Equity investments that are held for trading and equity investments for which the entity has not elected to recognise fair value gains and losses through OCI;

##### Amortised cost

These assets arise principally arise from on

financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for receivables are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Scheme's financial assets measured at amortised cost comprise accounts receivable and cash and cash equivalents in the statement of financial position.

Cash and cash equivalents comprise of cash at bank and short-term deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value.

#### 3.3 Impairment of financial assets

Financial assets are assessed for indicators of impairment at end of reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

# NOTES TO THE FINANCIAL STATEMENTS

{ for the year ended 30 June 2021

For all financial assets objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counter party; or
- Default or delinquency in interest or principal payments; or
- Becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial assets, such as accounts receivable, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Scheme's past experience of collecting payments, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been, had the impairment not been recognised.

## Accounts receivable

Accounts receivable are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

A provision for impairment of accounts receivable is established when there is objective evidence that the Scheme will not

be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of provision is recognized in the profit or loss.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

## Derecognition of financial assets

The Scheme derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Scheme neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Scheme recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Scheme retains substantially all the risks and rewards of ownership of a transferred financial asset, the Scheme continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

## 3.4 Financial liabilities

Financial liabilities, including accounts payable, are initially measured at fair value, net of transaction costs. Subsequently they are measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

### **Derecognition of financial liabilities**

The Scheme derecognises financial liabilities when, and only when, the Scheme's obligations are discharged, cancelled or they expire.

### **3.5 Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the statement of net assets available for benefits if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. Income and expenses will not be offset in the profit or loss unless required or permitted by any accounting standard or interpretation, as specifically disclosed in the accounting policies of the Scheme.

### **3.6 Contributions and expenses**

Contributions to the Scheme are paid monthly in arrears and represent a percentage of the monthly Pensionable Salary of each eligible employee. Such contributions go into each member's personal account (PMA). The sponsoring employers also contribute a percentage of monthly Pensionable Salary to cover for all administrative and other expenses and cost of death and disablement risks referred to in the Rules of the Scheme.

Any member may make additional voluntary contributions to his/her Personal Member Account during service with his/her employer.

Withdrawal benefits are accrued benefits for members who have left the Scheme and have opted to transfer these benefits to another personal pension plan or pension scheme of their new employer, or payment of death benefits to designated beneficiaries. As at the year ended 30 June 2021, 7 members had left the Scheme. (2020: 1 member left)

## **3.7 Foreign currencies**

### **Functional and presentation currency**

Items included in the financial statements are measured using Mauritian rupee (MUR), the currency of the primary economic environment in which the Scheme operates ("functional currency"). The financial statements are presented in Mauritian rupee, which is the Scheme's functional and presentation currency.

### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

### **3.8 Related parties**

Parties are considered to be related if one party has control, joint control or exercises significant influence over the other party or is a member of the key management personnel of the other party.

### **3.9 Provisions**

Provisions are recognised when the Scheme has a present obligation as a result of a past event, and it is probable that the Scheme will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the Trustees' best estimate of the expenditure required to settle the obligation at the end of the reporting period. Provisions are reviewed at end of reporting period and adjusted to reflect the current best estimate.

# NOTES TO THE FINANCIAL STATEMENTS

{ for the year ended 30 June 2021

## 4. SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

Estimates, judgements and assumptions are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Scheme makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

### Significant management judgement

The following is the significant management judgement in applying the accounting policies of the Scheme that has the most significant effect on the financial statements.

### Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities income and expenses is provided below. Actual results may be substantially different.

### Going concern

The Scheme's management has made an assessment of the the Scheme's ability to continue as a going concern and is satisfied that the Scheme has the resources to continue in business for the foreseeable future. Furthermore, the Board of Trustees is not aware of any material uncertainties that may cast significant doubt upon the Scheme's ability to continue as a going concern. Therefore, the financial statements has been prepared on the going concern basis.

### Pension benefits

The present value of the Personal Member Accounts (PMA) depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the investments returns on the assets include the discount rate. Any changes in these assumptions will impact the carrying amount of the PMA. The rate is determined by the insurer, applied to convert a PMA into a monthly pension. It depends on the Member's and/or other beneficiary's gender and prevailing interest and mortality rates.

## 5. FINANCIAL RISKS

The Scheme is exposed to financial risks through its financial assets and financial liabilities. In particular, the key financial risk is that proceeds from financial assets are not sufficient to fund the obligations arising from pension schemes.

The main risks to which the Scheme is exposed are as follows:

### 5.1 Market risk

Market risk is the risk of adverse financial impact due to changes in fair values or future cash flows of financial instruments from fluctuation in foreign currency exchange rates, interest rates and equity prices.

#### 5.1.1 Foreign currency risk

Foreign exchange risk is the risk that the fair value or future cash flows of a monetary financial instrument will fluctuate because of changes in foreign exchange rates. The Scheme's financial instruments which are exposed to currency risk consist of financial assets at fair value through profit or loss. The Board of Trustees monitors the Scheme's currency position on a regular basis. The carrying amounts of the Scheme's financial assets and liabilities at the reporting date are as follows:

	<b>2021</b>	<b>2020</b>
	(MUR)	(MUR)
<b>FINANCIAL ASSETS</b>		
United States dollar (USD)	<b>22,069,756</b>	15,468,747
British Pound (GBP)	<b>1,084,988</b>	769,279
Euro (EUR)	<b>4,203,145</b>	2,907,485
Japanese Yen (JPY)	<b>970,176</b>	746,222
Mauritian rupee (MUR)	<b>94,967,467</b>	88,886,378
<b>TOTAL</b>	<b>123,295,532</b>	108,778,111

	<b>2021</b>	<b>2020</b>
	(MUR)	(MUR)
<b>FINANCIAL LIABILITIES</b>		
Mauritian rupee (MUR)	<b>1,899,229</b>	1,990,119

Consequently, the Scheme is exposed to risks that the exchange rate relative to these currencies may change in a manner which has an effect on the reported value of that portion of the Scheme's financial assets and financial liabilities which are denominated in currencies other than the Mauritian Rupee.

#### [Sensitivity analysis](#)

The following table details the Scheme's sensitivity to a change of 5% of the Mauritian Rupee against the foreign currencies.

	<b>IMPACT ON PROFIT OR LOSS AND EQUITY</b>	
	<b>2021</b>	<b>2020</b>
	(MUR)	(MUR)
<b>FINANCIAL ASSETS</b>		
United States dollar (USD)	<b>1,103,488</b>	773,437
British Pound (GBP)	<b>54,249</b>	38,464
Euro (EUR)	<b>210,157</b>	145,374
Japanese Yen (JPY)	<b>48,509</b>	37,311
<b>TOTAL</b>	<b>1,416,403</b>	994,586

# NOTES TO THE FINANCIAL STATEMENTS

{ for the year ended 30 June 2021

## 5.1.2 Interest rate risk

The sensitivity analysis below has been determined based on the exposure to interest rates of securities earning variable rates of interest at the end of the reporting date. If interest rates had been 25 basis points higher/lower, the effect on the net assets available for benefits would have been as follows:

	2021 Impact on profit or loss and equity		2020 Impact on profit or loss and equity	
	+25b.p (MUR)	-25b.p (MUR)	+25b.p (MUR)	-25b.p (MUR)
Surplus/(Deficit)	45,917	(45,917)	12,961	(12,961)

## 5.1.3 Equity price risk

The Scheme is subject to price risk due to changes in the market values of its equity securities portfolio. Equity price risk is managed in order to mitigate anticipated unfavourable market movements. In addition, local insurance regulations set out the capital required for risks associated with type of assets held, investments above a certain concentration limit, policy liabilities risks and reinsurance ceded.

### Sensitivity

The impact on the Scheme's profit or loss and equity had the market values of financial assets at fair value through profit or loss changed by 10% with other assumptions left unchanged would have been as follows:

	2021 Impact on profit or loss and equity		2020 Impact on profit or loss and equity	
	+10% (MUR)	-10% (MUR)	+10% (MUR)	-10% (MUR)
Financial assets at fair value through profit or loss (FVPL)	10,871,954	(10,871,954)	7,050,082	(7,050,082)

## 5.2 Liquidity risk

Liquidity risk is the risk that the Scheme will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivery of cash or another financial assets.

The Scheme's liquidity position is monitored on a regular basis by monitoring forecast and actual cash flows and matching profiles of financial asset.

The table below summarises the maturity profile of the Scheme's financial liabilities based on contractual undiscounted payments:

Maturities of financial assets and liabilities:

	< 1 year	1-5 years	>5 years	No maturity dates	Total
	(MUR)	(MUR)	(MUR)	(MUR)	(MUR)
<b>At 30 June 2021</b>					
<b>Financial assets</b>					
Financial assets at FVPL	991,260	16,557,691	24,509,735	66,660,854	108,719,540
Accounts receivable	9,780	-	-	-	9,780
Cash and cash equivalents	14,566,212	-	-	-	14,566,212
<b>Total financial assets</b>	<b>15,567,252</b>	<b>16,557,691</b>	<b>24,509,735</b>	<b>66,660,854</b>	<b>123,295,532</b>
<b>Financial liabilities</b>					
Accounts payables	1,899,229	-	-	-	1,899,229
<b>Total financial liabilities</b>	<b>1,899,229</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,899,229</b>
<b>Net position</b>	<b>13,668,023</b>	<b>16,557,691</b>	<b>24,509,735</b>	<b>66,660,854</b>	<b>121,396,303</b>

	< 1 year	1-5 years	>5 years	No maturity dates	Total
	(MUR)	(MUR)	(MUR)	(MUR)	(MUR)
<b>At 30 June 2020</b>					
<b>Financial assets</b>					
Financial assets at FVPL	-	13,317,448	17,091,176	40,092,192	70,500,816
Accounts receivable	36,489	-	-	-	36,489
Cash and cash equivalents	38,240,806	-	-	-	38,240,806
<b>Total financial assets</b>	<b>38,277,295</b>	<b>13,317,448</b>	<b>17,091,176</b>	<b>40,092,192</b>	<b>108,778,111</b>
<b>Financial liabilities</b>					
Accounts payables	1,990,119	-	-	-	1,990,119
<b>Total financial liabilities</b>	<b>1,990,119</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,990,119</b>
<b>Net position</b>	<b>36,287,176</b>	<b>13,317,448</b>	<b>17,091,176</b>	<b>40,092,192</b>	<b>106,787,992</b>

# NOTES TO THE FINANCIAL STATEMENTS

{ for the year ended 30 June 2021

## 5.3 Credit risk

Credit risk is a risk that a counterparty will be unable to pay an amount in full when fall due. The Scheme's credit risk is primarily attributable to its accounts receivables and bank balances. The amounts presented in the statement of financial position are net of expected credit allowances (ECL) and impairment.

	<b>2021</b>	<b>2020</b>
	(MUR)	(MUR)
<b>FINANCIAL ASSETS</b>		
Non-current		
Financial assets at fair value through profit or loss	<b>108,719,540</b>	70,500,816
	<b>108,719,540</b>	70,500,816
<b>Current</b>		
Accounts receivable	<b>9,780</b>	36,489
Cash and cash equivalents	<b>14,566,212</b>	38,240,806
	<b>14,575,992</b>	38,277,295
Total	<b>123,295,532</b>	108,778,111

The Scheme manages the credit risks on its portfolio of assets by requesting the investment manager to diversify the portfolio to minimise the impact of default by any one issuer. The diversification is monitored on a regular basis by the Board of Trustees with consultation with the investment manager.

The credit risk for the bank balances and receivables (fixed deposits maturing over three months-Year 2019) is considered negligible, since the counterparties are reputable bank and financial institutions with good quality external credit ratings. None of the Scheme's financial assets are secured by collateral or other credit enhancements.

## 5.4 Categories of financial instruments

	<b>2021</b>	<b>2020</b>
	(MUR)	(MUR)
<b>FINANCIAL ASSETS</b>		
Financial assets at fair value through profit or loss	<b>108,719,540</b>	70,500,816
Accounts receivable	<b>9,780</b>	36,489
Cash and cash equivalents	<b>14,566,212</b>	38,240,806
<b>Total financial assets</b>	<b>123,295,532</b>	108,778,111
<b>FINANCIAL LIABILITIES</b>		
Accounts payable	<b>1,899,229</b>	1,990,119
<b>Total financial liabilities</b>	<b>1,899,229</b>	1,990,119

## 5.5 Fair value measurement of financial instruments

Financial instruments are measured at fair value in the statement of net assets available for benefits in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities.

The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: unobservable inputs for the asset or liability.

The following table shows the levels within the hierarchy of financial assets measured at fair value on a recurring basis:

<b>2021</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>TOTAL</b>
	(MUR)	(MUR)	(MUR)	(MUR)
<b>FINANCIAL ASSETS</b>				
Quoted Securities	<b>94,956,076</b>			<b>94,956,076</b>
Unquoted Securities	-	-	<b>13,763,464</b>	<b>13,763,464</b>
<b>TOTAL</b>	<b>94,956,076</b>	-	<b>13,763,464</b>	<b>108,719,540</b>

The board of trustees believes that the unquoted security being valued at amortised cost approximate its fair value

<b>2020</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>TOTAL</b>
	(MUR)	(MUR)	(MUR)	(MUR)
<b>FINANCIAL ASSETS</b>				
Quoted Securities	64,352,288			<b>64,352,288</b>
Unquoted Securities		-	6,148,528	<b>6,148,528</b>
<b>TOTAL</b>	64,352,288	-	6,148,528	<b>70,500,816</b>

At the reporting date, the Scheme did not have any non-financial assets and non-financial liabilities.

# NOTES TO THE FINANCIAL STATEMENTS

{ for the year ended 30 June 2021

## 6. TAXATION

The Scheme is an exempt from income tax as per the second schedule (Part 1) of the Income Tax Act 1995 .

## 7. INVESTMENTS IN FINANCIAL ASSETS

Financial assets at fair value through profit or loss

	2021	2020
	(MUR)	(MUR)
At 01 July	70,500,816	22,845,039
<b>Additions</b>	<b>30,216,244</b>	<b>68,058,038</b>
<b>Disposal</b>	<b>(2,946,980)</b>	<b>(20,526,542)</b>
Fair value adjustments	10,949,460	124,281
<b>At 30 June</b>	<b>108,719,540</b>	70,500,816

The breakdown of the financial assets at fair value through profit or loss is as follows:

	2021	2020
	(MUR)	(MUR)
<b>Equities:</b>		
Local quoted	39,997,200	20,631,928
Overseas quoted	11,245,292	8,921,642
<b>Mutual funds :</b>		
Overseas quoted	15,418,362	10,538,622
<b>Debt instruments:</b>		
Local quoted	28,295,222	24,260,096
Local unquoted	13,763,464	6,148,528
<b>Total</b>	<b>108,719,540</b>	70,500,816

## 8. ACCOUNTS RECEIVABLE

	2021	2020
	(MUR)	(MUR)
Other receivables:	9,780	36,489
<b>Total</b>	<b>9,780</b>	36,489

(a) The carrying amount of the accounts receivable is denominated in Mauritian rupee.

(b) The carrying amounts of accounts receivable approximate their fair values.

## 9. CASH AND CASH EQUIVALENTS

	<b>2021</b>	<b>2020</b>
	(MUR)	(MUR)
Cash at bank	<b>14,566,212</b>	38,240,806
<b>Total</b>	<b>14,566,212</b>	38,240,806

	<b>2021</b>	<b>2020</b>
	(MUR)	(MUR)
<b>Cash at bank</b>		
MUR	<b>12,901,801</b>	35,434,799
USD	<b>1,239,375</b>	2,435,680
EUR	<b>296,103</b>	262,711
GBP	<b>128,933</b>	107,616
<b>Total</b>	<b>14,566,212</b>	38,240,806

The closing rate of the USD was MUR 42.500 (2020: MUR 39.950), Euro was MUR 50.545 (2020: MUR 44.845) and GBP was MUR 58.820 (2020: MUR 49.095) at 30 June 2021.

## 10. ACCOUNTS PAYABLE

	<b>2021</b>	<b>2020</b>
	(MUR)	(MUR)
Accruals	<b>599,180</b>	1,905,980
Other payables	<b>1,300,049</b>	84,139
<b>Total</b>	<b>1,899,229</b>	1,990,119

The carrying amounts of accounts payable approximate their fair values.

## 11. PERSONAL MEMBER ACCOUNT AND GENERAL ACCOUNT

The assets of the Scheme are notionally allocated to two sub-accounts: the Personal Member Account and the General Account.

### Personal Member Account (PMA)

Each member of the Scheme has a Personal Member Account that represents the value of the Member's accrued benefits in the Scheme. The PMA is built up as follows:

- Contributions from the Member's Employer and the Member (if any),
- Transfers from other pension schemes, and
- Investment returns on the assets underlying the Member Account.

### General Account

The part of the value of the Scheme that has not been allocated to the Members' Account is allocated to the General Account. The purpose of the General Account is to be the vehicle through which the benefits and expenses of the Scheme will be paid to the Members and other Beneficiaries

# NOTES TO THE FINANCIAL STATEMENTS

{ for the year ended 30 June 2021

## Accumulated Schemes

	Personal Member Account	General Account	Total
	(MUR)	(MUR)	(MUR)
<b>At 01 July 2020</b>	<b>96,485,469</b>	<b>10,302,523</b>	<b>106,787,992</b>
<b>Members' contributions</b>	<b>38,357,637</b>	-	<b>38,357,637</b>
<b>Deficit of income over expenses</b>	-	<b>(160,041)</b>	<b>(160,041)</b>
<b>Total return on investments</b>	<b>12,903,558</b>	-	<b>12,903,558</b>
<b>Benefits paid</b>	<b>(36,492,843)</b>	-	<b>(36,492,843)</b>
<b>As at 30 June 2021</b>	<b>111,253,821</b>	<b>10,142,482</b>	<b>121,396,303</b>
At 01 July 2019	66,627,058	9,070,222	75,697,280
Members' contributions	29,646,575	-	29,646,575
Surplus of income over expenses	-	1,232,301	1,232,301
Total return on investments	2,273,846	-	2,273,846
Benefits paid	(2,062,010)	-	(2,062,010)
As at 30 June 2020	96,485,469	10,302,523	106,787,992

The Personal Member Account represents the sum of all the individual Personal Member Accounts and represents the value of the Members' accrued benefits from the Scheme.

The General Account represents the part of the value of the Scheme that incurs expenses of the Scheme.

### 12. RELATED PARTY TRANSACTIONS

There are no related party transactions during the year ended 30 June 2021.

### 15. CAPITAL COMMITMENTS

There are no capital commitments during the year ended 30 June 2021.

### 13. GOING CONCERN

The Board of Trustees has made an assessment of the Scheme's ability to continue as a going concern and is satisfied that the Scheme has the resources to continue its operations for the foreseeable future. Furthermore, the Board of Trustees is not aware of any material uncertainties that may cast significant doubt upon the Scheme's ability to continue as a going concern. Therefore, the financial statements has been prepared on a going concern basis.

### 14. CONTINGENT LIABILITIES

There are no contingent liabilities during the year ended 30 June 2021.

### 16. COVID IMPACT ASSESSMENT

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. At this point, the Scheme cannot reasonably estimate the duration and severity of this pandemic, which could have a material adverse impact on its business, results of operations, financial position and cash flows.

### 17. EVENT AFTER THE REPORTING PERIOD

There are no significant events after the reporting period which may have a material effect on the financial statements as at 30 June 2021.





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