



Mauritius Institute of
Professional Accountants

**THE MAURITIUS INSTITUTE
OF PROFESSIONAL ACCOUNTANTS**

ANNUAL REPORT

FOR THE YEAR ENDED

30 JUNE 2015

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2015

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THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

REPORT OF THE CHAIRPERSON

Dear Members,

It has been a privilege to serve you as Chairman for the last two years. My priority has been to bring MIPA to the next level. 2014-2015 has been a very busy year for MIPA, with the hosting of the Africa Congress of Accountants (ACOA) in May 2015.

As Chair, I have had the opportunity to lead the team to a very successful ACOA and to have been able to set the bar for other ACOA to come.

We continue to deepen our relationships with key parties in the continent and with IFAC. I participated at the General Assembly of the International Federation of Accountants (IFAC) in Italy in November 2014 and the Pan African Federation of Accountants (PAFA) General Assembly in Mauritius in May 2015 and now MIPA is known to the wider accounting community.

Complaints and Disciplinary actions

Since the beginning of the year 2015, eight complaints have been registered by our legal and compliance department.

Most of the complaints pertain to the issues of failure by our members to discharge their duties competently, such as failure to provide assistance to their clients diligently, or failure to submit the management accounts when required by their clients; or even failure to exercise due diligence when issuing certificates. Several on-going investigations are still in process and with the advent of the Disciplinary and Investigation Committees, MIPA is expecting to have its first case taken before the committees by the beginning of the year 2016.

The Regulations setting up the Committees have already been drafted with the assistance of the ACCA and ICAEW.

With the collaboration of our members and of the FRC, many cases of non-compliance have been identified, and warning letters have been sent to non-qualified and non-registered accounting firms and accountants to ensure adherence with the Financial Reporting Act 2004 and the IFAC Code of Ethics.

Declaration made by the Minister

As many of you may recall, a declaration was made by the Minister of Financial Services and Good governance on the 4th of March 2015 following a “dossier” which was sent to his Ministry anonymously in respect of alleged malpractices at Board level of MIPA. Subsequent to that, an Extra Ordinary General meeting (EGM) was called by “some members”.

The FRC submitted its report on the declaration and at the EGM, members were given explanations on the issues. Members were fully satisfied and did not find any instances of malpractices. A press release has been made to that effect.

IFAC

Our focus was towards meeting all IFAC requirements and apply for full IFAC membership by 31st of December 2014. Unfortunately this deadline was not met. We are re-doubling our efforts towards meeting the deadline for 31st December 2015. I would like to thank Mr. Den Surfraz (Board member) who is leading this project and also thank Mr. Kamal Sadien and Miss Muniirah Peer who are assisting Mr. Surfraz. A special thanks to the ACCA and the FRC for all the support that is being given to MIPA to achieve this very important milestone.

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS**REPORT OF THE CHAIRPERSON (CONTINUED)**

Financial and Performance Highlights

For the year ended 30 June 2015, MIPA achieved a surplus of Rs 1,010,779 as compared to a surplus of Rs 253,553 in the prior year. This surplus has been brought about by a one off share of the profits from the organisation of the Africa Congress of Accountants and an increase in revenue from training and education.

On the cash flow front, MIPA generated net cash outflow of Rs 2,028,234 mainly because expenses paid by MIPA for ACOA is still receivable.

MIPA Achievements

MIPA participated in various workshops and made recommendations to the Ministry of Foreign Affairs on the export of accounting services to the SADC region.

Activities

The following activities were organised during the year:

- Integrated Thinking: Create Value and Ensure Sustainable Business in collaboration with CIMA.
- 10 workshops on IFRS were held throughout the financial year 2014-2015 in collaboration with PwC Mauritius.
- National Budget Commentary in collaboration with ACCA.
- Ethics for the Accounting Professionals in collaboration with MIOD.
- Becoming an effective finance business partner in collaboration with ICAEW.

Last but not least was the Africa Congress of Accountants.

With the full support of all Board members, the Organising Committee and Staffs and all our sponsors, MIPA has been able to organise its first major event with resounding success.

We had the honour to welcome the President and CEO of IFAC, the President and CEO of PAFA, and Presidents and CEOs of most of the Accounting Institutes in Africa and also that of CIPFA, the Presidents of ICAEW and ACCA and the regional Board Director of CIMA.

With 850 or so delegates from 53 countries and world class speakers, MIPA has proved that it can host an event of such magnitude despite its limited resources. This has required the right leadership, vision, determination, hard work and team work. I have been very honoured to be able to lead the team to achieve such a success. All the credit goes to the team who made it all possible. Please extend with me to thank again members of the Board, members of the Organising Committee and the staffs who worked so hard to made this all possible and also all the members who gave us their support by attending the conference.

REPORT OF THE CHAIRPERSON (CONTINUED)

Memberships

Membership of MIPA for Professional Accountants as at 30 June 2015 stands at 2,802 members, an increase of 182 equivalent to 7 percent, during the year. The total number of registered Public accountants as at that date stood at 335 representing a net increase of 4 percent. On behalf of the Board, I would like to extend a warm welcome to all our new members. The number of Member firms has grown from 140 to 150. There are still known members of other institutes who have still not registered with MIPA. I would like to remind all who are not yet registered with MIPA that they have a legal obligation to do so.

The Profession

This year has been marked by a few events in the Mauritius economy. It has become more and more important that professional accountants keep on updating themselves and abide by the strict code of ethics.

Acknowledgment

As I shall be retiring from the Board, I would like to seize this opportunity to thank my fellow Board members for their uncompromising support, the staffs for their dedication during the very turbulent times.

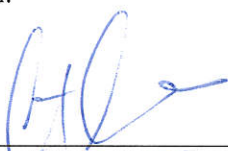
The actions which have been taken by the Board are to strengthen MIPA and put MIPA in a better position to move to the next level.

I also wish to thank our members and the accounting profession for the part they play to support MIPA in its endeavour.

I would especially like to thank Mr. Patrick Ng Tseung for his great contribution to MIPA. Mr. Patrick Ng Tseung is retiring from the Board after serving two terms as a Board member and two years as Chairman.

I would also like to welcome the new board members who will be taking their positions after the general assembly and I am looking forward for the new Board to be constituted.

May I wish you all the best and let's keep working to strengthen MIPA and the accounting profession.



Mr. Clifford Ping Voon TO CHOON KWEE
Chairperson

Date: 24/9/2015

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

REPORT OF THE BOARD

The Board of MIPA has the pleasure in submitting its annual report together with the audited financial statements of MIPA for the financial year ended 30 June 2015.

PRINCIPAL ACTIVITY

The Financial Reporting Act 2004, proclaimed on 20 January 2005, has established inter-alia the Mauritius Institute of Professional Accountants (MIPA). The objects of the MIPA as per Section 45 of the Financial Reporting Act are as follows:

- Supervise and regulate the accountancy profession; and
- Promote the highest standards of professional and business conduct of, and enhance the quality of services offered by, professional accountants.

FINANCIAL RESULTS

The statement of profit or loss and other comprehensive income for the year ended 30 June 2015 is shown on page 11. MIPA's surplus for the year ended 30 June 2015 amounted to Rs 1,010,779. (2014: Rs 253,553).

BOARD MEMBERS

MIPA is self-monitored by the profession in a transparent manner through its Board which consists of seven members of the professional accountancy bodies specified in the Act and elected by general assembly.

The eighth Board was constituted on 25 September 2014 as follows:

Mr. Clifford Ping Voon TO CHOON KWEE	- Chairperson
Mr. Priyaved JHUGROO	- 1 st Vice Chairperson
Mr. Ameene KODABUX	- 2 nd Vice Chairperson
Mr. Dwarka Harrish SOOCHIT	- Secretary
Mr. Muhammad Faizal KHOODORUTH	- Treasurer
Mr. Mohammad Sallah-ud-din SURFRAZ	- Board Member
Mr. Patrick NG TSEUNG	- Board Member

STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Section 61 of the Financial Reporting Act 2004 requires MIPA to prepare financial statements for each financial year which give a true and fair view of the state of affairs and of the income and expenditure of the MIPA. In preparing those financial statements, the Board members are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether International Financial Reporting Standards (IFRS) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that MIPA will continue in business.

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS**REPORT OF THE BOARD (CONTINUED)**

The Board members confirm that they have complied with the above requirements in preparing the financial statements for the year ended 30 June 2015.

The Board members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the MIPA and to enable them to ensure that the financial statements comply with the Financial Reporting Act 2004 and International Financial Reporting Standards (IFRS).

They are also responsible for safeguarding the assets of the MIPA and hence for taking reasonable steps for the prevention and detection of fraud and any irregularities.



Mr Dwarka Harrish SOOCHIT
Secretary



Clifford Ping Voon TO CHOON KWEE
Chairperson

Date: 24 SEP 2015

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS**PROFILE OF BOARD MEMBERS**

Clifford Ping Voon TO CHOON KWEE, Chairperson

Clifford To is currently Managing Director of OIS Mauritius involved in International Tax Advice and Outsourcing. Prior to that Clifford has worked in the offshore industry in Mauritius where he specialized in offshore tax structuring. Prior to that Clifford has spent more than 15 years in Australia where he has been a consultant to various small to medium enterprises and he has also worked for over 10 years in the banking industry, namely with BNP Paribas and Westpac Banking Corp where he held a few senior positions principally in the Corporate Tax Department. Prior to moving to Australia, Clifford has also had several years' experience in the Mauritius Global Business industry mainly in Fund Administration and Corporate Services.

Clifford To is a CPA from Australia, also holds a Bachelor of Commerce (Major in Accounting) from the University of Western Sydney, a Master of Commerce (Funds Management specialization) from the University of New South Wales and a Master of Taxation Law from the University of Sydney.

Clifford was elected to the Board of MIPA in September 2012 and represents MIPA on the Board of the Financial Reporting Council.

Mr. To Choon Kwee has attended 100% of the monthly board meetings.

Priyaved JHUGROO, 1st Vice Chairperson

Priyaved Jhugroo is a Fellow of the ICAEW. He has more than 25 years career in audit, accounting, tax and advisory in the UK and in Mauritius.

In 2007 he founded Lancasters Chartered Accountants which is a member of the Geneva Group International. He is the firm's senior partner. He specialises in auditing, business valuation and internal audit. He has also worked in industry. Priyaved shares his knowledge and experience on various companies' Boards of Directors and Advisory Boards as independent director.

Priyaved has been a prominent member for the development of the profession in Mauritius. He was president of the Mauritius Society of Chartered Accountants. He is the ICAEW contact member for Mauritius. He has been a member of the Audit Practice Review Panel of the Financial Reporting Council of Mauritius for the last six years and is presently its Chairman. Priyaved was elected to the Board of MIPA in September 2013.

Mr. Jhugroo has attended 100% of the monthly board meetings.

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS**PROFILE OF BOARD MEMBERS (CONTINUED)**

Ameene KODABUX, M.S.K, 2nd Vice Chairperson

Ameene Kodabux is a Fellow of the Association of International Accountants (AIA) and a Member of the Star and Key of the Indian Ocean (MSK). He started his career in 1977. Over the last thirty eight years, he has worked for several Chartered Certified Accountants firms including Cownie & Co (1977-1980), Lamusse Sek Sum & Co (1980-1986) and De Chazal & Associates (1986-1989)

He is presently the Managing Partner of MABCO – Public Accountants. He was first elected to the Board of the Mauritius Institute of Professional Accountants in September 2008 and re-elected in September 2011 and September 2014. Ameene was a past Board Member of the Financial Reporting Council.

Mr. Kodabux has attended 75% of the monthly board meetings.

Dwarka Harrish SOOCHIT , Secretary

Dwarka Harrish Soochit is a fellow member of the Institute of Chartered Management Accountants (CIMA) and fellow of the Chartered institute of certified Accountants (ACCA) and is actually the Director of Bit Consultants Ltd, a member of Leading Edge Alliance.

He has spent over seven years in a medium practice. He also carried various assignments overseas. Harrish Soochit currently sits at the CIMA African Board Forum and was a Board Member of the South African Regional Board. He was the former President of the CIMA Mauritius Branch. He is also a Board member of the Financial Reporting council.

He has joined the Board of MIPA to serve the interest of the professional accountants and public accountant.

Mr. Soochit has attended 100% of the monthly board meetings.

Muhammad Faizal KHOODORUTH, Treasurer

Faizal is currently a Senior Manager within the Advisory Department of KPMG, Mauritius, with over 11 years of experience in auditing, accounting, taxation and offshore company's management acquired both locally and internationally, Faizal has had the opportunity to excel in a number of large and prestigious companies such as BDO (Audit Senior), Deloitte & Touche (M.E) – Dubai Office (Audit Manager), Deloitte Mauritius (Audit Senior Manager), Kross Border Corporate Services Limited (part of the Management Team), Russell Bedford International (Audit Director) and Managing Partner of Pannell Kerr Forster (Mauritius).

Faizal is a Fellow of the Association of Chartered Certified Accountants (ACCA), member of MIPA, and also holds a Bachelor Degree in Accounting with Finance from the University of Mauritius. Faizal was elected as board member in September 2013.

Mr. Khoodoruth has attended 58% of the monthly board meetings.

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS**PROFILE OF BOARD MEMBERS (CONTINUED)**

Mohammad Sallah-ud-din SURFRAZ (Den) , Board member

Den is a fellow of The Association of Chartered Certified Accountant and a Certified Fraud Examiner. He is presently the Head of Risks and Compliance of Citco Corporate and Trust. Den has also worked as Investigator at the Financial Intelligence Unit and as detective police officer at the Anti-Drug and smuggling unit of the Police Force. He is the outgoing Vice chairperson of ACCA Mauritius Network Panel.

Mr. Surfraz has attended 83% of the monthly board meetings.

Patrick NG TSEUNG, Board member

Patrick Ng Tseung is an Associate member of the Institute of Chartered Accountants in England and Wales. He qualified with Arthur Andersen (London) before moving within the same firm to Singapore where he spent two and a half years. He returned to Mauritius in 1999 to join De Chazal du Mee and then joined Ernst & Young as a partner in 2003.

Patrick is a Past President of the Society of Chartered Accountants in Mauritius. At Ernst & Young Mauritius, he heads the Professional Practice Group. Patrick was elected as a Board Member of MIPA in 2009.

Mr. Ng Tseung has attended 67% of the monthly board meetings.



**BAKER TILLY
(MAURITIUS)**

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

Report on the Financial Statements

1. We have audited the financial statements of **The Mauritius Institute of Professional Accountants** ("MIPA") on pages 11 to 29, which comprise the statement of financial position at 30 June 2015 and the statement of profit or loss and other comprehensive income, statement of movement in accumulated surplus and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Board Members' Responsibilities for the Financial Statements

2. As described on page 4, MIPA's board members are responsible for the preparation and the fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Financial Reporting Act 2004. These responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibilities

3. We are responsible for expressing an independent opinion, based on our audit, on these financial statements presented by the board members and reporting our opinion to you. This opinion has been prepared for and only for MIPA's board members in accordance with the Financial Reporting Act 2004 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, save where expressly agreed by our prior consent in writing.
4. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform our audit so as to obtain reasonable assurance as to whether the financial statements are free from material misstatements.
5. An audit involves performing procedures, on a test basis, to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to MIPA'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 MIPA's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board members, as well as evaluating the overall presentation of the financial statements.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

Report on the Financial Statements (continued)

Auditor's Responsibilities (continued)

6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

7. In our opinion:
- (a) the financial statements on pages 11 to 29:
 - (i) have been prepared in accordance with and comply with International Financial Reporting Standards;
 - (ii) give a true and fair view of the matters to which they relate;
 - (iii) present fairly the financial position of MIPA at 30 June 2015 and its financial performance, movement in accumulated surplus and cash flows for the year ended on that date; and
 - (iv) comply with the Financial Reporting Act 2004.
 - (b) proper accounting records have been kept by MIPA as far as it appears from our examination of those records.

8. *Other matter*

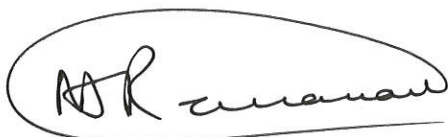
We draw attention to the fact that we were appointed as auditors of MIPA for the first time for the year ended 30 June 2015. The financial statements for the year ended 30 June 2014 were audited by another auditor who expressed an unqualified opinion thereon on 26 August 2014.

Report on Other Legal and Regulatory Requirements

9. We have no relationship with or interest in MIPA other than in our capacities as auditors and member of MIPA.
10. We have obtained all the information and explanations we have required.

Baker Tilly (Mauritius)

Baker Tilly (Mauritius)



Aleem Ramankhan
Licensed by FRC

24 SEP 2015

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015**

	<u>Notes</u>	<u>2015</u> <u>Rs</u>	<u>2014</u> <u>Rs</u>
Subscription income	5	3,755,000	3,556,500
Income from training and education	6	1,295,985	761,000
Other operating income	7	498,052	-
		<u>5,549,037</u>	<u>4,317,500</u>
Other operating expenses	8	(2,304,933)	(1,771,896)
Operating surplus		<u>3,244,104</u>	<u>2,545,604</u>
Administrative expenses	9	(2,623,784)	(2,435,823)
Finance income	10	<u>390,459</u>	<u>143,772</u>
Surplus for the year		1,010,779	253,553
Other comprehensive income		-	-
Total comprehensive income for the year		<u>1,010,779</u>	<u>253,553</u>


The notes on pages 15 to 29 form an integral part of these financial statements.

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	Notes	2015 Rs	2014 Rs
ASSETS			
Non-current assets			
Plant and equipment	11	342,463	68,803
Intangible assets	12	281,138	123,626
		<u>623,601</u>	<u>192,429</u>
Current assets			
Inventories	13	-	6,800
Receivables	14	6,716,293	3,397,522
Cash and cash equivalents		810,191	2,838,425
		<u>7,526,484</u>	<u>6,242,747</u>
Total assets		<u><u>8,150,085</u></u>	<u><u>6,435,176</u></u>
RESERVES AND LIABILITIES			
Reserves			
Accumulated surplus		<u>6,585,250</u>	<u>5,574,471</u>
Non-current liability			
Gratuity on retirement	15	<u>190,800</u>	<u>-</u>
Current liability			
Payables	16	<u>1,374,035</u>	<u>860,705</u>
Total liabilities		<u><u>1,564,835</u></u>	<u><u>860,705</u></u>
Total reserves and liabilities		<u><u>8,150,085</u></u>	<u><u>6,435,176</u></u>

Approved for issue by the Board Members on 24 SEP 2015
and signed on its behalf by:


.....
Clifford Ping Voon TO CHOON KWEE
Chairperson


.....
Priyaved JHUGROO
Vice Chairperson

The notes on pages 15 to 29 form an integral part of these financial statements.

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

**STATEMENT OF MOVEMENT IN ACCUMULATED SURPLUS
FOR THE YEAR ENDED 30 JUNE 2015**

	Accumulated surplus
	Rs
Balance at 01 July 2013	5,320,918
Total comprehensive income for the year	253,553
Balance at 30 June 2014	5,574,471
Total comprehensive income for the year	1,010,779
Balance at 30 June 2015	6,585,250

The notes on pages 15 to 29 form an integral part of these financial statements.

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015 Rs	2014 Rs
Cash flows from operating activities			
Surplus for the year		1,010,779	253,553
<i>Adjustments for:</i>			
Depreciation of plant and equipment	11	68,415	1,547
Amortisation of intangible assets	12	71,863	-
Interest income		(76,563)	(143,772)
Profit on disposal of plant and equipment		(20,000)	-
Increase in gratuity on retirement	9	190,800	-
Operating surplus before working capital changes		1,245,294	111,328
Decrease in inventories		6,800	35,350
Increase in receivables		(3,318,771)	(1,145,497)
Increase in payables		513,330	501,838
Interest received		76,563	143,772
Net cash used in operating activities		(1,476,784)	(353,209)
Cash flows from investing activities			
Proceeds from disposal of plant and equipment		20,000	-
Acquisition for plant and equipment	11	(342,075)	(70,347)
Acquisition for intangible asset	12	(229,375)	(76,188)
Net cash used in investing activities		(551,450)	(146,538)
Net decrease in cash and cash equivalents		(2,028,234)	(499,744)
Cash and cash equivalents at beginning of the year		2,838,425	3,338,169
Cash and cash equivalents at end of the year	15	810,191	2,838,425

In the statement of cash flows, proceeds from the sale of plant and equipment include the following:

Carrying value	-	-
Profit on disposal	20,000	-
Proceeds from disposal	<u>20,000</u>	<u>-</u>

The notes on pages 15 to 29 form an integral part of these financial statements.

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1. GENERAL INFORMATION

The Mauritius Institute of Professional Accountants ("MIPA") has been established under the Financial Reporting Act 2004. The objects of MIPA are to regulate and supervise the accountancy profession, to promote the highest standards of professional and business conduct and enhance the quality of services offered by professional accountants.

The address of the registered office is Suite 1104, 11th Floor, SIT Business Centre, The Core, 62, Cybercity, Ebène.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and other regulatory requirements.

(b) Basis of preparation

The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying MIPA's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where critical estimates and assumptions are significant to the financial statements are disclosed in Note 4.

New and amended standards, amendments and interpretations mandatory for the first time for the financial year beginning 01 July 2014.

Standards/ Amendments/ interpretations	Contents	Applicable for financial years beginning on/after
IFRS10/12 and IAS 27	Consolidation for investment entities	01 January 2014
IAS 32	'Financial instruments: Presentation', on asset and liability offsetting	01 January 2014
IAS 39	'Financial instruments: recognition and measurement' on novation of derivatives	01 January 2014
IFRIC 21	Levies	01 January 2014
IAS 32	Presentation on asset and liability offsetting	01 January 2014
Various	Annual improvements 2012/2013	01 July 2014
IAS 19	Employee benefits	01 July 2014

The above new and amended standards, amendments and interpretations do not have an impact on MIPA's financial statements.

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New standards, amendments and interpretations issued but not yet effective for the financial year beginning 01 July 2014 and not early adopted.

Standards/ Amendments/ Interpretations	Contents	Applicable for financial years beginning on/after
IFRS 11	Joint arrangements	01 January 2016
IAS 16/38	Depreciation and amortisation	01 January 2016
IAS 16/41	Bearer plants	01 January 2016
IFRS 10/IAS 28	Sale or contribution of assets between an investor and its associate or joint venture	01 January 2016
IAS 27	Separate financial statements	01 January 2016
IFRS 14	Regulatory deferred accounts	01 January 2016
Various	Annual improvements 2014	01 July 2016
IFRS 15	Revenue from contracts with customers	01 January 2017
IFRS 9	Financial instruments	01 January 2018

Where relevant, MIPA is still evaluating the effect of these standards, amendments and interpretations issued but not yet effective, on the presentation of its financial statements.

(c) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to MIPA and the revenue can be reliably measured.

Member's subscription fees, other than exempt members, are recognised in the statement of profit or loss and other comprehensive income as income in the year to which it relates. Income from admission fees are recognised in the relevant year of admission.

Subscription fees from member firms are accounted for in the period in which it is received.

Income from training and education is measured at the fair value of the consideration received or receivable.

Subscription income received in advance is included within payables and subsequently credited to the statement of profit or loss and other comprehensive income in the year in which services for these subscriptions are rendered.

Interest income is recognised on the accruals basis unless collectibility is in doubt.

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Expense recognition

Expenses are accounted for on an accruals basis in the statement of profit or loss and other comprehensive income.

(e) Functional and presentation currency

Items included in the financial statements are measured using Mauritian Rupees (Rs), the currency of the primary economic environment in which MIPA operates ("the functional currency").

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the dates 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 statement of profit or loss and other comprehensive income.

(f) Plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to bringing the asset to working condition for their intended use.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset as appropriate only when it is probable that future economic benefits associated with the item will flow to MIPA and the cost of the item can be measured reliably.

Depreciation is calculated to write off the cost of the assets on a straight line basis over the expected useful lives of the assets. The annual rates used are as follows:

Office equipment	-	20%
Computer equipment	-	33%
Furniture and fittings	-	10%

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in the statement of profit or loss and other comprehensive income.

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

2. SUMMARY SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Intangible asset

Software costs

Expenditures incurred on computer software programs are recognised as intangible asset and are amortised over 3 years using the straight line method.

(h) Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present locations and conditions.

(i) Receivables

Receivables include subscriptions receivables from members. Receivables are initially recognised at fair value and subsequently measured at amortised cost less an allowance for any irrecoverable amounts. Allowance is made when there is objective evidence that MIPA will not be able to recover balances in full. Balances are written-off when the probability of recovery is assessed as being remote.

(j) Cash and cash equivalents

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

(k) Impairment

The carrying amounts of MIPA's assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss and other comprehensive income in the year in which the impairment is identified.

(l) Financial instruments

Financial instruments carried on the statement of financial position are receivables, cash and cash equivalent and payables. The particular recognitions methods adopted are disclosed in the individual policy statements associated with each item.

Disclosures about financial instruments to which MIPA is a party are provided in Note 3.

(m) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit or loss and other comprehensive income on a straight line basis over the period of the lease.

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(n) State pension plan**

Contributions to the National Pension Scheme are expensed to the statement of profit or loss and other comprehensive income in the year in which they fall due.

(o) Gratuity on retirement

A provision is made for the estimated undiscounted liability for gratuity on retirement, as a result of services rendered by the employees up to the reporting date under the Employment Rights Act 2008. The gratuity payable on retirement are unfunded and not determined by actuarial valuation.

(p) Payables

Payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

(q) Provisions

Provisions for restructuring costs and legal claims are recognised when MIPA has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

(r) Reserves

Reserves consist of accumulated surpluses.

(s) Related parties

Related parties are individuals, including management personnel, where the individual has the ability, directly or indirectly, to control the other party, or exercise significant influence over the party in making financial and operational decisions.

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**3. FINANCIAL RISK MANAGEMENT****(a) Financial risk factors**

MIPA's financial instruments comprise mostly receivables, cash and cash equivalents and payables. MIPA is therefore exposed to credit risk, liquidity risk and interest rate risk. The Board Members oversee the management of these risks including reviewing and agreeing policies for managing them. These are discussed below.

Credit risk

Credit risk arises principally from receivables which relate substantially to members' subscriptions. The credit risk is that the member fails to discharge its legal obligation in respect of the instrument. MIPA has no significant concentration of credit risk, with exposure spread over a large number of members. Management reviews the subscription receivables balance on a regular basis and undertakes an exercise to consider removing members from the receivables ledger register for non-payment of subscriptions.

The board members do not consider subscription fees receivables to be a financial asset since these are statutory dues and not contractual dues. Accordingly, no disclosure have been presented relating to credit risk on those receivables.

Receivables and cash and cash equivalents (excluding subscription receivables and prepayment) represent MIPA's maximum exposure to risk in relation to financial assets.

	<u>2015</u>	<u>2014</u>
	Rs	Rs
Receivables (excluding subscription receivables and prepayment)	5,668,509	87,680
Cash and cash equivalents	810,191	2,838,425
	<u>6,478,700</u>	<u>2,926,105</u>

The following represents ageing of receivables (excluding subscription receivables and prepayment):

	<u>Less than 1 year</u>	<u>More than 1 year</u>	<u>Total</u>
	Rs	Rs	Rs
<u>2015</u>			
Receivables (excluding subscription receivables and prepayment)	<u>5,668,509</u>	<u>-</u>	<u>5,668,509</u>

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**3. FINANCIAL RISK MANAGEMENT (CONTINUED)***Credit risk (continued)*

	Less than 1 year Rs	More than 1 year Rs	Total Rs
<u>2014</u>			
Receivables (excluding subscription receivables and prepayment)	<u>32,680</u>	<u>55,000</u>	<u>87,680</u>

Liquidity risk

Liquidity risk is defined as the risk that MIPA will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk is limited to payables. All financial liabilities on the statement of financial position have a maturity of not more than one month. MIPA's policy to manage liquidity risk is to maintain at all times sufficient cash balance to allow it to meet its obligations as and when they fall due. MIPA enters into commitments only when the board members are satisfied that it has the resources to meet the resulting obligations.

	Less than 1 year Rs	More than 1 year Rs	Total Rs
At 30 June 2015			
Payables (excluding subscription received in advance)	<u>800,535</u>	<u>-</u>	<u>800,535</u>
At 30 June 2014			
Payables (excluding subscription received in advance)	<u>408,705</u>	<u>-</u>	<u>408,705</u>

Interest rate risk

MIPA's income and operating cash flows are independent of changes in market interest rates. The only significant interest-bearing financial assets are cash and cash equivalents. Interest income may fluctuate, in particular due to changes in interest rates. MIPA's policy is to maximise finance income on its interest-bearing assets. The effect on the surplus for the year of a possible change in interest rate is immaterial.

(b) Fair value estimation

At 30 June 2015, MIPA did not have assets and liabilities measured at fair values since their carrying amount are a reasonable approximation of fair value.

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Capital risk management

MIPA considers its capital to be its accumulated surplus. The management's financial objective is to generate an approved operating position and to build and maintain surplus at a sustainable level. MIPA is not subject to any material externally and imposed capital requirements.

(d) Categories of financial instruments

	2015	2014
	Rs	Rs
<i>Financial assets</i>		
Receivables (excluding subscription to receivables)	5,668,509	87,680
Cash and cash equivalents	810,191	2,838,425
	<u>6,478,700</u>	<u>2,926,105</u>
<i>Financial liability</i>		
Payables (excluding subscription received in advance)	<u>800,535</u>	<u>408,705</u>

At the reporting date, there were no significant concentrations of credit risk for receivables. The carrying amounts reflected above represents MIPA's maximum exposure to credit risk for such receivables.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION

The preparation of MIPA's financial statements requires the board members to make judgements, estimates and assumptions about the reported amounts of revenues, expenses and the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Judgement

Going concern

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

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

**4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION
(CONTINUED)***(b) Key sources of estimation***(1) Provision for impairment of receivables**

Provision for impairment of receivables is made when there is objective evidence that MIPA will not be able to collect certain debts. MIPA is required to estimate the level of impairment provision based on detailed analysis and experience of historic impairment rates in the context of the current debtor profile.

(2) Plant and equipment and Intangible assets

Plant and equipment and Intangible asset are depreciated and amortised respectively over their useful lives taking into account residual value, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life-cycle and maintenance programs are taken into account. Residual value assessments consider future market conditions, the remaining life of the assets and projected disposal value. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

The residual value of an asset is the estimated net amount that MIPA would currently obtain from disposal of the asset, if the asset was already of the age and in condition expected at the end of its useful life.

The board members therefore make estimates based on historical experience and use best judgement to assess the useful lives of assets and to forecast the expected useful lives.

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

5. SUBSCRIPTION INCOME

		2015	2014
		Rs	Rs
Admission fees		231,000	205,000
Subscription fees		3,513,000	3,345,500
Rejected applications		11,000	6,000
		<u>3,755,000</u>	<u>3,556,500</u>
Subscription income are analysed as follows:			
(i) Professional accountants:	Admission fees	176,000	172,000
	Subscription fees	2,662,000	2,486,000
	(see note (b) below)	<u>2,838,000</u>	<u>2,658,000</u>
(ii) Public accountants:	Admission fees	12,000	16,000
	Subscription fees	335,000	323,000
	(see note (c) below)	<u>347,000</u>	<u>339,000</u>
(iii) Member firms:	Admission fees	43,000	17,000
	Subscription fees	516,000	536,500
		<u>559,000</u>	<u>553,500</u>
(iv) Rejected applications		<u>11,000</u>	<u>6,000</u>
Total subscriptions income		<u><u>3,755,000</u></u>	<u><u>3,556,500</u></u>
(b) Number of professional accountants are analysed as follows:			
		2015	2014
		Number	Number
Professional accountants:	Opening balance	2,620	2,443
	New admission	176	172
	New exempt admission	6	5
	Closing balance	<u>2,802</u>	<u>2,620</u>
Exempt members:	Opening balance	(134)	(37)
	New admission	(6)	(5)
	Existing exempt members from last year	-	(92)
	Closing balance	<u>(140)</u>	<u>(134)</u>
Total number of professional accountants excluding exempt members		<u><u>2,662</u></u>	<u><u>2,486</u></u>
(c) Number of public accountants are analysed as follows:			
Public accountants:	Opening balance	323	307
	New admission	12	16
	Closing balance	<u>335</u>	<u>323</u>

At 30 June 2015, MIPA had 140 members (2014: 134 members) who were exempt from payment of annual subscription fees pursuant to Section 51, 4 (b) of the Financial Reporting Act 2004, as amended in December 2012.

According to the Financial Reporting Regulations 2012 (Mauritius Institute of Professional Accountants - fees), application fees for the issue of certificate of registration are non-refundable.

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

6. INCOME FROM TRAINING AND EDUCATION

	<u>2015</u>	<u>2014</u>
	Rs	Rs
Training and education	1,278,136	519,000
Sale of IFRS books	17,849	242,000
	<u>1,295,985</u>	<u>761,000</u>

7. OTHER OPERATING INCOME

	<u>2015</u>	<u>2014</u>
	Rs	Rs
Share of surplus from 3rd Africa Congress of Accountants (ACOA) (Note 18(a)(i))	478,052	-
Profit on disposal of plant and equipment	20,000	-
	<u>498,052</u>	<u>-</u>

8. OTHER OPERATING EXPENSES

	<u>2015</u>	<u>2014</u>
	Rs	Rs
Subscriptions-PAFA	802,931	538,818
Subscriptions-IFAC	158,939	146,378
Training and education	972,964	503,323
PAFA & IFAC conferences	190,507	276,952
Purchase of IFRS books (see note (13))	-	161,082
MIPA events	77,500	94,712
Postage and stationery	60,013	37,348
Advertising	42,079	13,283
	<u>2,304,933</u>	<u>1,771,896</u>

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**9. ADMINISTRATIVE EXPENSES**

	2015	2014
	Rs	Rs
Salaries and related costs	942,630	1,676,422
Rent	253,878	253,594
Legal and professional fees	195,500	193,200
Bad debts from training and education	55,000	140,000
Electricity and telephone	83,577	66,292
IT and related expenses	7,011	11,020
Depreciation of plant and equipment	68,415	1,547
Amortisation of intangible assets	71,863	-
Provision for impairment	572,000	-
Provision for gratuity on retirement (Note 15)	190,800	-
Other administrative expenses	183,110	93,748
	2,623,784	2,435,823

10. FINANCE INCOME

	2015	2014
	Rs	Rs
Bank interest received	76,563	143,772
Realised foreign exchange gain	102	-
Unrealised foreign exchange gain	313,794	-
	390,459	143,772

11. PLANT AND EQUIPMENT

	Office equipment	Computer equipment	Furniture and fittings	Total
	Rs	Rs	Rs	Rs
Cost				
At 01 July 2013	20,054	175,513	191,700	387,267
Additions	-	33,767	36,580	70,347
At 30 June 2014	20,054	209,280	228,280	457,614
Additions	162,150	-	179,925	342,075
Disposal	-	-	(44,000)	(44,000)
At 30 June 2015	182,204	209,280	364,205	755,689
Depreciation				
At 01 July 2013	20,053	175,512	191,699	387,264
Charge for the year	-	937	610	1,547
At 30 June 2014	20,053	176,449	192,309	388,811
Charge for the year	32,430	-	35,985	68,415
Disposal adjustment	-	-	(44,000)	(44,000)
At 30 June 2015	52,483	176,449	184,294	413,226
Net book value				
At 30 June 2015	129,721	32,831	179,911	342,463
At 30 June 2014	1	32,831	35,971	68,803

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

12. INTANGIBLE ASSETS

	Database management software and website	Accounting software licence	Total
	Rs	Rs	Rs
Cost			
At 01 July 2013	47,438	19,530	66,968
Additions	76,188	-	76,188
At 30 June 2014	123,626	19,530	143,156
Additions	186,875	42,500	229,375
At 30 June 2015	310,501	62,030	372,531
Amortisation			
At 01 July 2013 and 30 June 2014	-	19,530	19,530
Charge for the year	71,863	-	71,863
At 30 June 2015	71,863	19,530	91,393
Net book value			
At 30 June 2015	<u>238,638</u>	<u>42,500</u>	<u>281,138</u>
At 30 June 2014	<u>123,626</u>	<u>-</u>	<u>123,626</u>

13. INVENTORIES

	2015	2014
	Rs	Rs
Cost		
IFRS books	<u>-</u>	<u>6,800</u>

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

14. RECEIVABLES

	2015 Rs	2014 Rs
Subscriptions receivables	1,956,000	2,556,000
Provision for impairment (see (a) below)	(1,124,000)	(552,000)
	<u>832,000</u>	<u>2,004,000</u>
Receivables from training and education	-	55,000
Prepayments	215,784	130,656
Other receivables	102,626	32,680
ACOA current account (see (b) below and note 18 (a)(ii))	5,565,883	1,175,186
	<u><u>6,716,293</u></u>	<u><u>3,397,522</u></u>

(a) *Provision for impairment*

At 01 July	552,000	552,000
Increase during the year	572,000	-
At 30 June	<u><u>1,124,000</u></u>	<u><u>552,000</u></u>

The provision for impairment relates to 187 members with balances due since the financial year 2006/2007 and onwards.

The board members do not consider subscriptions receivables to be a financial asset since these are statutory dues and not contractual dues. Accordingly, no disclosures have been presented relating to the ageing on those subscriptions receivables

(b) *ACOA current account*

The ACOA current account includes MIPA's share of surplus arising from the 3rd Africa Congress of Accountants (ACOA) event. The 3rd ACOA was jointly organised in May 2015 by MIPA and the Pan-African Federation of Accountants (PAFA) and for which a separate set of financial statements have been prepared.

For the ACOA event, two bank accounts were opened in the name of MIPA who acted as agent on same.

The balance on ACOA current account is unsecured, interest-free and is receivable within one year.

(c) Other receivables are unsecured and fully performing. No collaterals are held in respect of those receivables.

(d) The carrying amounts of receivables approximate their fair values.

15. GRATUITY ON RETIREMENT

	2015 Rs	2014 Rs
At 01 July	-	-
Charge for the year (Note 9)	190,800	-
At 30 June	<u><u>190,800</u></u>	<u><u>-</u></u>

THE MAURITIUS INSTITUTE OF PROFESSIONAL ACCOUNTANTS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

16. PAYABLES

	2015	2014
	Rs	Rs
Subscriptions received in advance	573,500	452,000
Other payables and accruals	800,535	408,705
	<u>1,374,035</u>	<u>860,705</u>

The carrying amounts of payables approximate their fair values.

17. OPERATING LEASE COMMITMENTS

Future minimum rental payable under operating leases as at 30 June 2015 were as follows:

	2015	2014
	Rs	Rs
Within one year	813,450	253,594
After one year but not more than five years	3,254,280	1,014,376
	<u>4,067,730</u>	<u>1,267,970</u>

In February 2015, MIPA moved office from 2nd floor, Fong Sing Building, Edith Cavell Street Port Louis to Suite 1104, 11th Floor, SIT Business Centre-The Core, 62 Cybercity Ebene.

The office is leased by MIPA is a long-term lease with renewal options in the contract.

18. RELATED PARTY TRANSACTIONS

During the year ended 30 June 2015, MIPA transacted with related parties. The transactions and balances with related parties were as follows:

	2015	2014
	Rs	Rs
(a) ACOA:		
Turnover per ACOA accounts (unaudited)	<u>40,196,710</u>	<u>-</u>
Surplus per ACOA accounts (unaudited)	<u>2,390,258</u>	<u>-</u>
(i) Share of surplus from ACOA (20% of ACOA surplus)	<u>478,052</u>	<u>-</u>
(ii) ACOA current account	<u>5,565,883</u>	<u>1,175,186</u>

As per agreement, the share of surplus has been split between MIPA and PAFA per number of local (20%) and overseas (80%) delegates respectively. The balance on the ACOA current account is unsecured, interest free and is repayable within one year.

(b) Compensation of key management personnel
Salaries and other short-term benefits

	<u>1,358,400</u>	<u>1,365,000</u>
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There were no other benefits other than those disclosed above.

The board members are not entitled to any remuneration since their services rendered are on a voluntary basis.

19. EVENTS AFTER THE REPORTING PERIOD

There are no events after the reporting period which may have a material effect on the financial statements at 30 June 2015.