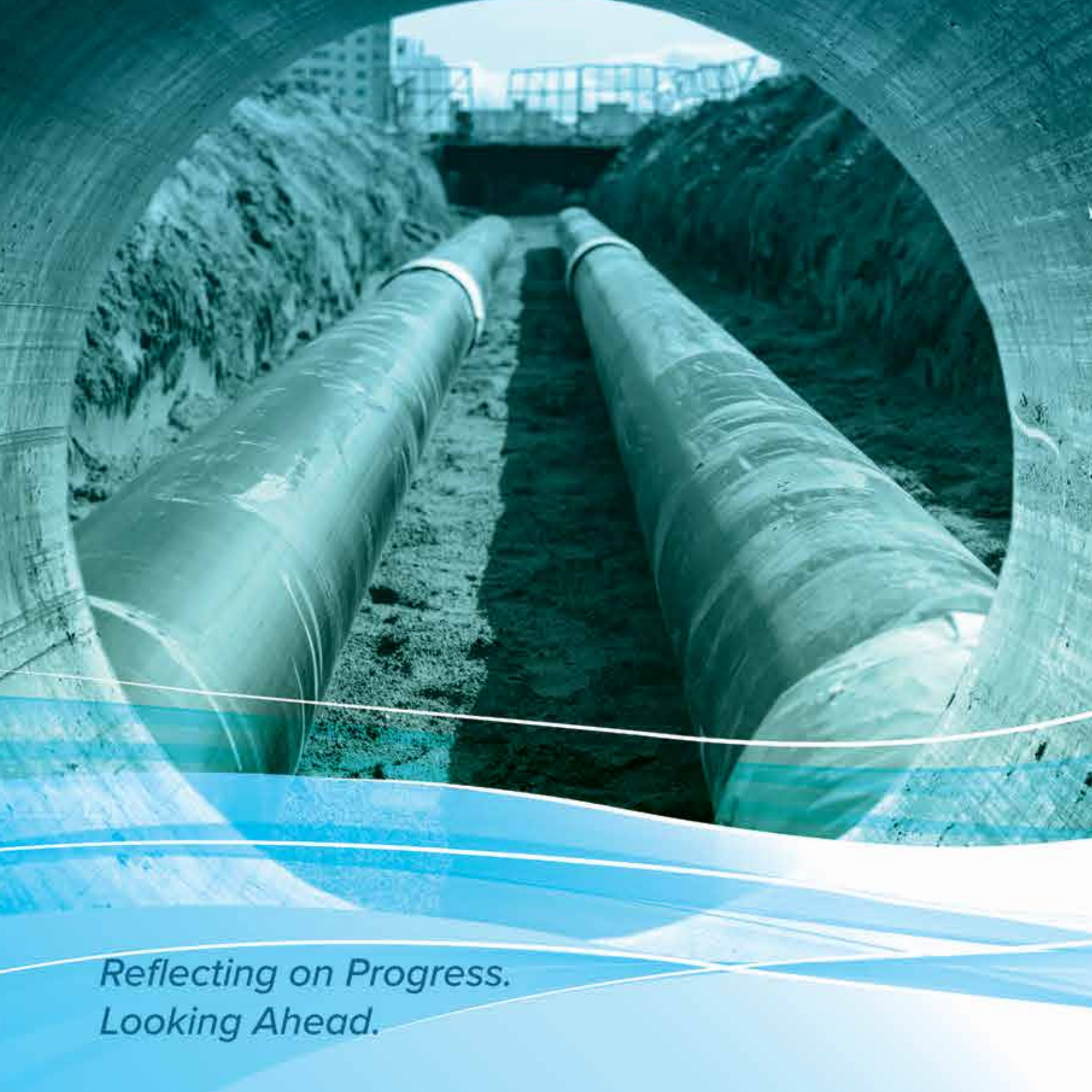
CENTRAL WATER AUTHORITY

Annual Report

2024 - 2025

Investing today.
Delivering water security for tomorrow.



Reflecting on Progress.
Looking Ahead.

TABLE OF CONTENT

07 - 09 Corporate Objectives

11 - 17 Strategic Direction

19 Statement of Chairperson

21 Statement of General Manager

22 - 42 Corporate Governance Report

43 Statement of Compliance

45 - 50 Our Divisions at a Glance

52 - 74 Operational Overview

76 - 83 Financial Review

85 - 91 Report of the Director of Audit

93 - 154 Financial Statements

CORPORATE OBJECTIVES

ABOUT THE CWA

The Central Water Authority (CWA) is a Corporate Body established under the CWA Act 1971, with subsequent amendments and became operational in 1973. It operates under the aegis of the Ministry of Energy and Public Utilities and is the sole Authority in Mauritius responsible for the treatment and distribution of potable water to households, government and the business community, among others, with a view to fostering economic growth and social development. The Authority is administered and controlled by the Central Water Board (CWB).

VISION

To excel in the provision of an uninterrupted round-the-clock service of world class standard throughout the year to the entire population of Mauritius.

MISSION

To secure and provide a sustainable water supply service of appropriate quality at an affordable price which meets the growing needs of the people and to support the economic development of the country.

VALUES

Excellence & Efficiency

To achieve excellence in our customer relations, the quality of water and the availability of supply together with an efficient use of our resources.

Integrity & Courtesy

To act with integrity and always show courtesy in all our dealings with our stakeholders and also with our environment

Teamwork & Innovation

To work together as a single team and always innovate to ensure that our customers enjoy a reliable and adequate water supply at a fair and reasonable cost.

OBJECTIVES

1. To ensure security of supply with a round-the-clock service
2. To improve customer service and manage the corporate image
3. To sustain water quality to meet international benchmarks
4. To consolidate financial viability and operate in a cost effective matter
5. To reduce non-revenue water to an economically acceptable level by improving the network efficiency

CUSTOMER CHARTER

“The Promise That We Make To Our Customers”

Wisdom	Accountability	Transparency	Excellence	Respect
“Water, a way of life”	“We account for activities of the Authority and take full responsibility”	“We fulfil our mandate in an ethical and open manner”	“We are leaders and innovators in our sector who get it right on time everytime”	“We respect each other as well as our customers and the needs of the public”

OUR STAKEHOLDERS

THE STRATEGIC PILLARS

To support its overarching vision and mission, the CWA adopted an integration of five strategic pillars, namely Financial Excellence, People Excellence, Operational/Social Excellence, IT and Innovation Excellence and Customer Excellence. Each pillar encompasses specific objectives, initiatives and performance indicators that align with the Authority's mission.

THE 5-PILLARS STRATEGY

STRATEGIC DIRECTION

STRATEGIC DIRECTION (FY 2024/25 – 2026/27)

The CWA remains committed to ensuring a sustainable, high quality, and resilient water supply service that supports the socio-economic development of Mauritius. Responding to increasing water demand, climate change pressures, and ageing infrastructure, the Authority has set the following strategic direction for the next three financial years around the 5-Pillars strategy:

The 5-Pillars strategy:

- Overall cost efficiency and value for money
- Develop a motivated, efficient and effective workforce with high productivity
- Changing people's life sustainably by providing adequate and sustainable water supply
- Innovate in terms of technology, embracing change, creativity and inventions
- Excel in the provision of customer service generating customer satisfaction

1. Strengthening Water Security and Supply Reliability

a. **Modernising Water Supply Infrastructure:** Continue the replacement and rehabilitation of ageing pipeline networks to reduce non-revenue water and maintenance disruptions.

The strategy adopted for the replacement of some 500 km of most critical pipelines islandwide to address the challenges of an ageing distribution system which started during the last quarter of FY 2022/23 and will be pursued in the following three (3) Financial Years.

- **Pipe Replacement between 1 km and 3 km by Small and Medium Contractors**

Pipe Replacement works of length between 1 km and 3 km (excluding classified roads) will be undertaken by Small and Medium Contractors. These pipelines concern mainly the medium lateral roads all around the island.

- **Pipelines exceeding 3 km (Classified Roads)**

These projects concern mainly those situated along main classified roads, where the Road Development Authority (RDA) imposes very strict conditions for wayleave. These will be executed under Capital Projects.

A list of about 100 km of pipelines to be renewed has been prepared to be carried out by Medium and Large Contractors (depending on the value of works).

b. **New Storage and Treatment Capacity:** Continue with the upgrading/construction of Water Treatment Plants and Service Reservoirs to increase buffer capacity and supply resilience in dry seasons.

I. **Upgrading/Construction of Water Treatment Plants**

- Mont Blanc
- Piton du Milieu
- Rivière du Poste
- Pont Lardier

II. **Construction of new Service Reservoirs with capacity ranging 2,000 m³ – 3,000 m³**

Sites already identified are as follows:

- Ferney
- Beau Songes
- Mont Loisir Rouillard
- Pont Lardier

c. **Production of Additional Water**: To address the challenges of increasing water demand, prolonged drought periods and also to improve water supply situation in water stressed regions around the island, the Authority shall continue to explore and exploit new sources of water (both underground and surface water).

2. Customer-Centric Service Delivery

a. **Water Supply:** Pursue the provision of an adequate water supply and pressure across the island and gradual elimination of dark spot areas;

b. **Digital Engagement:** Expand use of online platforms for complaints reporting, applications of new supply, billing and information sharing to enhance customer satisfaction.

3. Capacity Building and Sustainable Financing

a. **Workforce Development:** Invest in staff training, capacity building and technical skill upgrades to operate modern infrastructure and embrace innovative practices;

b. **Financial Sustainability:** Secure funding through government support and recommend appropriate measures to Board/ Parent Ministry that will sustain the financial situation of the Authority. To further boost the revenue, the Authority intends also to:

- Explore other commercial opportunities for sale of water to niche market at a price commensurable with their type of activity;
- Review rate of financial contribution payable by promoters for development of Smart City, Property Development Scheme and other approved scheme projects.

4. Partnership and Governance

a. **Stakeholder Collaboration:** Strengthen partnerships with local authorities, the private sector and other organisations for a collaborative approach of works to be undertaken, project co-financing and sharing of best practices;

b. **Transparency and Accountability:** Uphold robust governance and communication, keeping the public and stakeholders regularly informed about progress, investments and challenges.

By resolutely pursuing these strategic pillars, the CWA will ensure that Mauritius meets its growing water demand, protects its ecosystems, and enhances resilience to climate-related shocks. Moreover, our focus on innovation, operational efficiency, and partnership will lay the founding stone for a secure and sustainable water future for the nation.

Medium & Long Term Goals (Division-wise)

Management Information Unit

- To act as repository of all corporate data & information of CWA
- To access, manage, and optimize the design and delivery of the Authority's data warehouse
- To provision of Timely and Quality reports for Board, Management, parent Ministry and other organizations
- To conduct data analysis to assist Management in the decision-making process

Information Technology Division

- To implement Biometric Attendance
- To view bills on CWA Portal/E-Platform
- To automate processes (RPA Robots)
- To upgrade Applications to APEX Platform
- To upgrade Legacy Database
- To implement Disaster Recovery

Human Resource Division

- To train and develop all employees to provide the Authority with well-trained and well-motivated employees. To allocate at least 40 hrs of training to each employee yearly
- To implement new software called HRPTA (Human Resource Payroll and Time Attendance) and HRMPS (Human Resource Management and Payroll System)
- To streamline routine processes
- To attract the best talent, retain those employees, and develop them through well-targeted development efforts in order to build the strength of this organization to ensure the long-term health, growth and stability in service provision
- To improve performance of all employees through a Performance Management System (PMS)
- To reduce overtime costs with the implementation of a Roster System on a full-fledged basis in the Operations Division

Internal Audit Division (IAD)

- To complete the Internal Audit Plan for the FYs
- To ensure corrective actions are taken by Management to redress control deficiencies
- To maintain efficient and effective Audit Processes

Drawing Office

- To provide precise Digital Engineering Drawings and Cartographic Information using up-to-date ICT, ArcGIS to CWA and its stakeholders including survey works, graphics and maintain GIS database
- To geolocate CWA appurtenances
- To conduct georeferenced Survey all over the island including CWA appurtenances
- To manage, maintain and effectively utilize accurate, reliable and consistent geo-spatial data (Maps already published with dashboards and target to be fully operational by 2029)
- To manage and improve the current GIS Network for the whole island by 2029

Planning & Design Division

- To renew old defective pipelines to improve water supply distribution
- Provide buffer capacity water supply though construction of new service reservoirs
- Rehabilitation and upgrading of existing treatment plant to ensure reliable and uninterrupted treatment of water
- Construction of new water treatment plant to satisfy growing demand

Survey Unit

- Land Surveys, Engineering Surveys, Topographical Surveys, Boundary Surveys, Survey for land acquisitions and securing wayleaves in connection with projects
- Updating of use and occupation of land by the CWA and monitoring of Land Asset Register of the Authority (Owned, Private land and State land)
- Land acquisition/lease and compulsory land acquisition for the CWA

WR/OSS – Scientific Services

- To monitor the quality of water treated and supplied by CWA in accordance with regulatory standards
- To offer a high standard of testing and professional competence in line with international standard, ISO/IEC 17025:2017 – General requirements for the competence of testing and calibration laboratories
- To offer scientific support services in relation to the quality and protection of water resources
- To become a reference laboratory in the field of water testing

WR/OSS (M&E)

- To provide uninterrupted water supply of high-quality meeting drinking water standards from ground water and surface water sources by means of electro-mechanical equipment
- To reduce failures/downtime related to pumpsets at CWA pumping stations through:
  a. Proper infrastructure/facilities at river intakes and boreholes;
  b. Procurement of higher efficiency pumps according to prevailing quality management standards; and,

c. Defining technical specifications of pumps and other accessories with respect to their specific application.

- To introduce/implement Digital Solutions for remote monitoring of equipment/accessories (pumps, gensets, meters, water levels, pressure etc) to shift from corrective to preventive

WR/OSS (MSU)

- To improve maintenance processes and workflows to increase efficiency by at least 20% within the next three years. This includes optimizing preventive maintenance schedules, implementing predictive maintenance technologies and streamlining repair procedures
- To upgrade and modernize the organization's vehicle and plant fleet by replacing older, less efficient vehicles and equipment with more environmentally friendly and technologically advanced alternatives. Aim to replace 50% of existing fleet with greener options within five years
- To invest in continuous training and development programs for MSU staff to keep them updated with latest automotive and plant maintenance technologies. Ensure that 80% of workforce undergoes relevant training annually
- To develop a cutting-edge predictive maintenance system that utilizes artificial intelligence including telematics and machine learning to anticipate vehicles and plants failures and optimize maintenance schedules and vehicle usages
- To strive for at least a 40% reduction in unplanned downtime within a decade
- To move towards a sustainable energy model by integrating renewable energy sources like solar and wind power into MSU facilities
- To work towards making the MSU completely energy self-sufficient within 10 years
- To move towards electric vehicles (EV) fleet by gradually phasing out internal combustion engine (ICE) vehicles
- To aim for 25% of MSU fleet to be electric or hybrid within the next decade

Water Treatment Plant

- To optimize and standardize water treatment processes for a better efficiency on WTP
- To provide an optimum volume of high-quality treated water (as per requirement of EPA Act) in an efficient and economic manner while protecting environment and efficient use of energy in attaining the objectives
- To increase production to meet the increasing demand while maintaining the quality standards
- To increase production in the coming years through the construction of new water treatment plants, upgrading of existing ones and installation of new pressure filters.

Non-Revenue Water Management Cell

- To recovery claims
- To investigate on disconnected supply not yet re-opened
- To attend complaints (some 2500 targeted)
- To survey specific categories of supply with high suspicion of illegal use of water
- To investigation on illegal abstraction of water from boreholes
- To implement capacity building and institutional strengthening

Customer Service Experience Unit

- To reduce repetitive calls – First time resolution
- To remodel process to strategize operation and ticketing system
- To digitalize telephony system and complaint handling

Commercial Services Division

- To constantly improve customer service by bringing innovation and excellence to enhance facilities provided to customers to meet customer's expectation in line with business trends and technological development (e.g. promoting e-services i.e online Bill Payment System, online Meter Reading System, Smart Metering) and by facilitating business procedures and processes (re-engineering of business process) and ease of doing business
- To attend complaints promptly to meet KPIs prescribed in the Customer Charter for each type of complaint
- To maintain debt collection efficiency over 99% by pursuing efforts to minimize the level of bad/irrecoverable debts
- To maximize revenue through increasing billing efficiency over 90% through (i) replacement of all defective/slow-moving/ageing meters (ii) reading all meters accurately (iii) billing customers on correct category
- To reduce meter reading and billing costs by introducing Smart Meter concept for all categories of consumers
- To ensure affordable water tariff structure by producing a water tariff policy aiming to reduce wastage of water while protecting the lower income group of customers through the introduction of a social tariff

Non-Revenue Water - Anti-Fraud Cell

- To monitor and recover claims
- To track disconnected supply not reopened after a specified timeframe (3 months)
- To crack down surveys on specific categories of supply & targeted regions with high suspected illegal cases
- To investigate on cases submitted by the water Resources Unit pertaining to illegal abstraction of water from boreholes or surface water where no license/no water rights have been granted.
- To implement Capacity Building and Institutional Strengthening through appropriate training

Transport Control Unit

- To provide monitoring and control services to all CWA vehicles
- To reduce transport immobilization time with minimum cost
- To renew fleet of vehicles and plants with high repairs and maintenance cost

Procurement and Supply Unit

- To provide for backup of LoAs
- To ensure proper channeling of files from inception up to issue of LoAs
- To categories files properly – In-House/SME and Major Projects

- To update procurement activities on a monthly basis
- To compile records for SME, In-House and Major Projects
- To provide for buffer stock of pipes and fittings
- To mitigate repeated purchases of common items
- To implement Committee of Needs/Annual Procurement Plan
- To apply FIFO concept in terms of Stock Management
- To maintain a system of centralized database – LoA, Evaluation Report and Bid Documents
- To provide training to staff on the use of Procurement System
- To establish a Framework Agreement for procurement of Pipes and Fittings
- To ensure availability of a minimum level of stock so as to meet urgent needs
- To resort to Open National Bidding method of procurement in order to achieve efficiency and effectiveness
- To move towards overseas purchase to achieve economies of scale for major items

Operations

- Network Management
    - To improve water supply across zones
    - To ensure prompt repair of visible leakages/assessment of existing water pipe network
    - To replace defective meters

- Customer Service Management
    - To improve response time to attend complaints subject to availability of resources
    - To provide training to exposed staff
    - To enhance collaboration with communication team to establish good PR
    - To reinforce workforce to implement an efficient roster/shift system
    - To renew fleet to cater for high maintenance costs on aged vehicles hampering daily operations
    - To conduct Nursing calls

- Production Capacity Management
    - To identify new sources of water production
    - To drill duplicate boreholes

- Enhancing Employee Experience
    - To re-design organization structure
    - To revamp Code of Ethics
    - To work towards Sustainability Reporting
    - To provide safety and physical health at work
    - To establish KPI to track performance on health and safety
    - To conduct employee satisfaction survey
    - To implement career management and training
    - To enable transparent social dialogue

STATEMENT OF CHAIRPERSON

As Chairperson of the Central Water Board, I have the honour to present this Annual Report to our stakeholders, outlining the performance of the Central Water Authority for the period July 2024 to June 2025.

In this statement, I wish to place particular emphasis on the findings of the Audit Report concerning the Authority. While the Audit did not encompass every dimension of the Central Water Authority's operations, it has nonetheless highlighted several critical shortcomings that need to be addressed.

First and foremost, the severe liquidity crisis at the CWA must be placed at the top of our agenda. The last water tariff revision took effect in 2012. Today, the real cost of connecting new water supplies is at least five times greater than the actual rate charged by the CWA, and irrigation water debts owed by the Irrigation Authority amounted to Rs 97,707,513 as of June 2025. I concede that the decision to address these broader structural and tariff issues may fall outside the direct ambit of the CWB and the CWA Management.

However, Management can still implement a number of sustainable financial measures to alleviate these cash flow constraints. Chief among these is launching an aggressive campaign to recover long-standing debts. Potable water sales in arrears stood at Rs 84.9 million as of February 28, 2025. Furthermore, the Procurement Section should initiate an auction of all scrap materials and slow-moving stock at Cité La Cure, which could easily generate millions of rupees.

Potable Water Sales debt increased substantially by June 2025, representing a significant revenue shortfall for the CWA. While the Debtors' Unit already manages a heavy workload, Management must ensure this team is properly reinforced. By providing additional staff, improved commuting facilities and the necessary expertise and intelligence tools, the unit will be better equipped to track down outstanding debtors both large and small. This is critical to replenishing the CWA's coffers and mitigating our immediate cash flow issues.

Finally, all other recommendations contained in the Audit Office's Annual Report must be formally taken on board. By this time next year, the highlighted issues must be fully resolved to place the CWA on a much stronger financial footing.

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Mr Peetumber Maneswar

Chairperson

STATEMENT OF GENERAL MANAGER

On behalf of the Board of Directors and Management I am pleased to present the Annual Report and Accounts of the Central Water Authority for the year ended 30 June 2025.

Over the past year, the net deficit has reached Rs 754 million, characterised by persistent liquidity constraints. The total revenue has increased 3.3%, mainly driven by higher water sales compared to the total expenditure which registered an increase of 17%. The financial pressure has been compounded by continued cost escalation in an environment where water tariffs have remained unchanged throughout the last 13 years.

A key priority has been enhancing efficiency across the CWA by implementing financial sustainability measures.

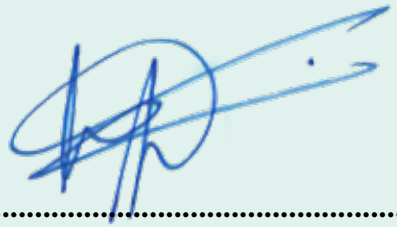
Equally important has been our commitment to our consumers and our values. We have embarked on a major programme of pipe replacement through the Government of India (Indian Line of Credit) concerning the replacement of around 115 Km of pipes which are over 50 years old. Rivers have been an area of focus with the commissioning of additional Containerised Pressure Filters (CPFs). We are also working in close collaboration with the Agence Francaise de Development (AFD) to address pertinent issues concerning the Non Revenue Water (NRW).

The year 2024-2025 witnessed the impact of rainfall deficit on the CWA network, alongside the implementation of various courageous measures to safeguard the sustainability of the country's water supply. The CWA has indeed emerged stronger in its endeavour to combat water shortages. Further appreciation goes to our various stakeholders which took part in water supply management. Without their support we would not have been to the expectation of water users. Let us remember to save water whilst we continue the path to achieve water security.

On a different note, the performance of the CWA, has been undermined by the enquiry regarding the construction of Cluny Reservoir as well the enquiry by the Financial Crimes Commission concerning pipe-laying works. Management is closely following up the matter.

Despite numerous challenges, the CWA remains focused on delivering value to its stakeholders while strengthening the foundation of its business. While uncertainties persist in the global and local landscape, the CWA is confident in its strategy and its ability to respond to change. It will continue to prioritize innovation, operational excellence and customer satisfaction.

I would like to express my sincere appreciation to the employees of the CWA, consumers and other stakeholders for their continued trust and support. This gives me confidence as we look forward to the next year.



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Mr Thannoo Shiam Krisht

General Manager

CORPORATE GOVERNANCE REPORT

INTRODUCTION

The Central Water Authority (CWA), qualified as a Public Interest Entity as defined under the Financial Reporting Act 2004, is bound to apply the eight governance principles contained in the Code and to explain how these principles have been applied.

The CWA is committed to maintaining the highest standards of corporate governance in accordance with the principles set out in the National Code of Corporate Governance. The Authority recognizes that sound governance practices are integral to ensuring accountability, transparency, and effective stewardship of public resources in the fulfilment of its statutory mandate.

GOVERNANCE STRUCTURE

Governance Charter

CWA's governance structure is set out in its Board Charter. The Charter defines the role, function and objective of the Board, Board Committees, the Chairperson and the General Manager. It also sets out how they interact in order to promote efficient, transparent and ethical functioning/decision-making processes within the Authority.

Board Charter

The Board Charter[1], which was approved by the Board in April 2018 has been worked out in line with provisions of the Central Water Authority Act (1971), has been maintained for the FY 2024/25.

The Board Charter, which provides the Terms of Reference for the Board also describes the duties and powers of the Board, the supervision of financial reporting, the decision making process and other general provisions in connection with conflict of interest, remuneration, induction of board members and confidentiality of information.

Code of Ethics

A Code of Ethic for Directors has been adopted by the Board on **05 April 2018**. The purpose of the Code is to:

- provide guidance to Directors and help them recognising and dealing with ethical issues; and
- help to foster a culture of honesty and accountability and mechanisms to report unethical conduct.

The Code of Ethics clearly describes the responsibilities of Directors on issues pertaining to their duties as Directors, conflict of interest, corporate opportunities and fair dealings.

Constitution

By virtue of the Central Water Authority Act (Act 20 of 1971), the Central Water Authority (CWA) was established as a body corporate, responsible for the control, development and conservation of water resources. In relation to the exercise of the powers of the

[1]*The Board Charter can be consulted on the CWA's Website (https://cwa.govmu.org).*

Authority under the aforesaid Act, the Honourable Minister may give such directions to the Authority as he considers necessary in the public interest and the Authority shall comply with such directions. The CWA is administered and controlled by a Board, which is accountable and responsible for the performance and affairs of the Authority and in meeting all legal and regulatory requirements.

THE STRUCTURE OF THE BOARD AND ITS COMMITTEES

THE CENTRAL WATER BOARD ("The Board")

The Central Water Authority (CWA) is administered and controlled by a Central Water Board (the ''Board'').

The four (4) main functions of the Board are as hereunder:

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

Mandate

Being responsible in promoting the long-term success of the Authority, the Board endeavours, inter-alia, to:

- exercise leadership, intellectual honesty, integrity and judgment in directing the Authority with a view to achieving sustainable prosperity whilst ensuring both performance and integrity.
- continuously review the processes and procedures in place to ensure the effectiveness of the Authority's internal systems of control to safeguard the Authority's assets and reputation.
- set the strategic direction and long-term goals and ensuring that adequate resources are available for the Authority to implement the strategic plan.
- ensure that the Authority complies with all relevant laws, regulations and codes of best business practice.

Through its vision, core values and formal policies, which set out what the CWA expects from employees in the running of its businesses, the Board seeks to engender a culture where business ethics, integrity and fairness are values that all employees endorse and apply in their everyday conduct.

In accordance with Section 7(2) of the Central Water Authority Act 1971 the Board comprises of six members:

- a Chairperson;
- a representative of the Ministry responsible for the subject of finance;
- a representative of the Ministry responsible for the subject of energy;
- a representative of the Ministry responsible for the subject of labour and industrial relations; and
- two (2) members with experience in agricultural, industrial, commercial, financial, scientific or administrative matters, appointed by the Minister.

In line with Section 7(3) of the CWA Act, every ex-officio member shall remain a member for as long as he holds the office by virtue of which he became a member and every appointed member shall hold office for not more than 2 years but shall be eligible for reappointment.

As per Section 7(4) of the CWA Act, the Chairperson shall be appointed by the Minister on such terms and conditions as he thinks fit.

As per Section 12 of the CWA Act, the General Manager shall attend every meeting of the Board and may take part in its deliberations but he shall not be entitled to vote on any question before the Board.

As per Section 14 of the CWA Act, the General Manager shall:

1. be appointed by the Minister on such terms and conditions as he thinks fit;
2. act in accordance with such directions as he may receive from the Board or any delegate appointed by the Board under Section 17 of the said Act.

Role of the Board

Board Meeting Process

Beginning of Financial Year	Planning of Board Meetings for the ensuing year is set by the Secretary to the Board in consultation with the Chairperson.
Setting of Agenda	Agendas for the Board are finalized by the Secretary to Board in consultation with the General Manager and the Chairperson.
Before the Meeting	Agenda and all relevant Board papers are sent to the Chairperson and the Board Members as far as possible three days prior to the scheduled meeting.
Board Meeting	Regular matters as well as the reports of the various Board Committees are discussed.
After Board Meeting	Board decisions are issued to the respective Heads of Divisions after consultation with the General Manager/Chairperson as far as possible within 48 hours after the Board meeting. Minutes are produced and sent to the Chairperson for review and comments prior to circulating to Board Members. Follow-up on certain Board decisions are ensured by the Secretary to Board.

The Board in 2024/2025

a. The composition of the Board for period July 2024 to October 2024 was as follows:

Name	Description
JAYPRAKASH ROSHANSINGH SEETOHUL (appointed as from 08 November 2023 to October 2024)	Chairperson
HEMNISH RAM URDHIN (appointed as from May 2023)	Representative of the Ministry responsible for the subject of finance
YASDEV KISTOMOHUN (appointed as from 25 April 2024)	Representative of the Ministry responsible for the subject of energy
KHINDEV GUNPUTH (appointed as from August 2022)	Representative of the Ministry responsible for the subject of labour and industrial relations
TIRAT MOOSSUN (appointed as from 27 August 2020. Appointment renewed in October 2023)	Two (2) members with experience in agricultural, industrial, commercial, financial, scientific or administrative matters, appointed by the Minister
MICHAEL LYNDON VEERARAGOO (appointed as from 16 April 2024)	

- Mr Doumeraj Jahajeeah was the alternate member of the Ministry responsible for the subject matter of energy;
- Ms Amrita Devi Goinden was the alternate member of the Ministry responsible for the subject of labour and industrial relations.

b. The Central Water Board was reconstituted with effect from 14 February 2025 as follows:

Name	Description
MANESWAR PEETUMBER (appointed for a period of 2 years wef 14 February 2025)	Chairperson
AJAY RAMDHANY (Firm Member) NIRVASHEE SEN GOPAL (Ms) (Alternate Member)	Representative of the Ministry responsible for the subject of finance
YASDEV KISTOMOHUN (Firm Member) DOUMERAJ JAHAJEEAH (Alternate Member)	Representative of the Ministry responsible for the subject of energy
KHINDEV GUNPUTH (Firm Member) MOHAMAD REZA DILMOHAMED (Alternate Member)	Representative of the Ministry responsible for the subject of labour and industrial relations
FEROZE ACHARAUZ **SUNJEEVSING DINDYAL**	Two (2) members with experience in agricultural, industrial, commercial, financial, scientific or administrative matters, appointed by the Minister

Key Governance Position

The key roles and responsibilities of the Chairperson of the Board and the Board Committees have been clearly defined in the Board and the Board Committee Charters. The role of the Chairperson of the Board is distinct and separate from that of the General Manager and there is clear division of responsibilities with the Chairperson leading the Board and the General Manager managing the day-to-day business of the organization. The key roles and responsibilities as hereunder:

Chairperson
• Acts as the spokesperson for the Board; • Provides overall leadership to the Board; • Ensures that the Board is effective in its duties of setting out strategies and implementing Government policies; • Ensures that Board meetings are chaired in an effective manner; • Ensures that committees are properly structured with appropriate terms of reference; • Ensures that Board Members receive accurate, timely and clear information; • Ensures that development needs of Board Members are identified and appropriate training is provided to continuously update the skills and knowledge of the latter; • Maintains sound relations with stakeholders.

General Manager
• Acts in accordance with such directions as he may receive from the Board or any delegate appointed by the Board under Section 17 of the CWA Act; • Manages the day-to-day affairs of the Authority; • Executes plans and strategies in line with the policies set by the Board; • Provides leadership and direction to senior management; • Ensures that the decisions of the Board are executed; • Acts as a liaison between Management and the Board; • Ascertains a proper working environment for the Staff of the organization.

Board Secretary
• Ensures compliance with relevant statutory and regulatory requirements; • Develops and circulates the agenda and relevant documents for Board and Board Committee meetings in a timely manner; • Facilitates induction of Board Members and provides guidance to them in terms of their roles and responsibilities; • Assists the Chairperson in governance processes.

Board Meetings

The Board meets at least once a month. However, in the event of any urgent matter that requires approval of the Board, special Board Meeting(s) is/are held or approval is sought by circularisation. The Board meetings are attended by Board Members. In accordance with Section 12 of the CWA Act, the General Manager attends every meeting of the Board and takes part in its deliberations but he is not entitled to vote on any question before the Board. For specific matters, officers of the Authority are also invited.

The attendance at the Board Meetings during the FY 2024/25 was as follows:

Period July - October 2024

Board Members	Meeting Attendance
Chairperson	
Mr. J.R. Seetohul	5
Board Members	
Mr. Y. Kistomohun	5
Mr. H.R. Urdhin	5
Mr. K. Gunputh	3
Ms. A. Goinden	2
Mr. T. Moossun	4
Mr. M.L. Veeraragoo	5

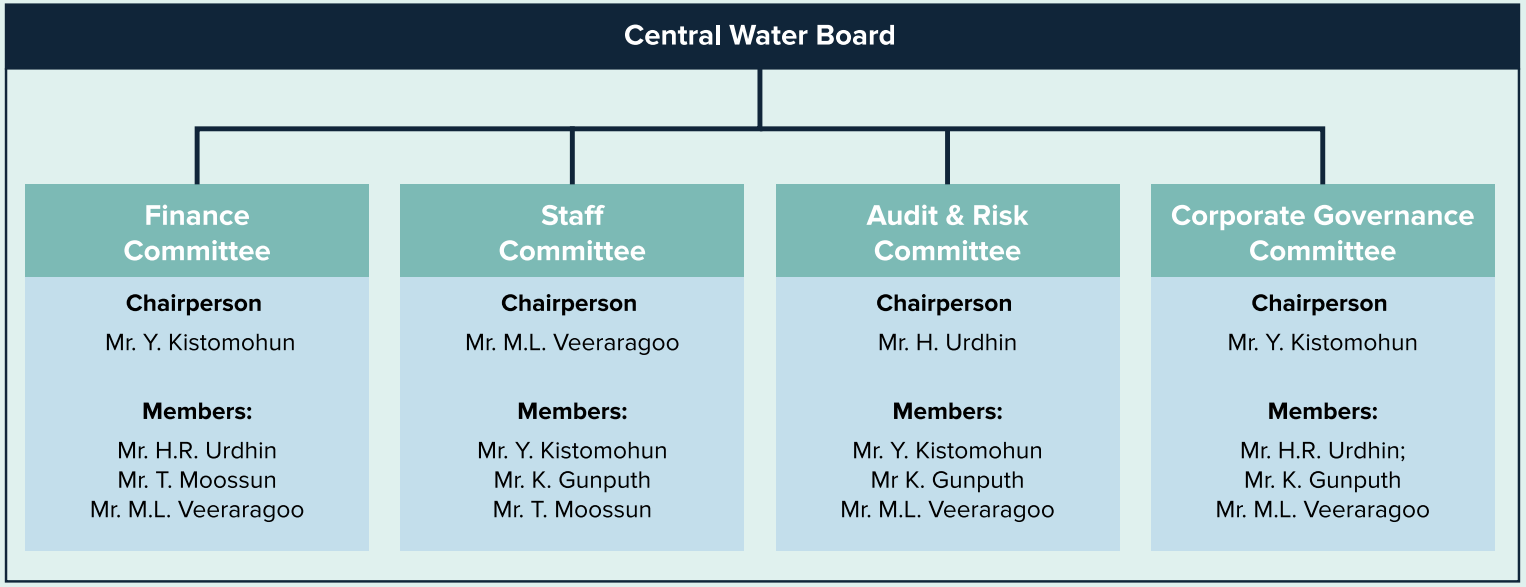
Period February - June 2025

Board Members	Meeting Attendance
Chairperson	
Mr. M. Peetumber	7
Board Members	
Mr. Y. Kistomohun	7
Mr. A, Ramdhany	7
Mr. K. Gunputh	7
Mr. F. Acharauz	7
Mr. S. Dindyal	7

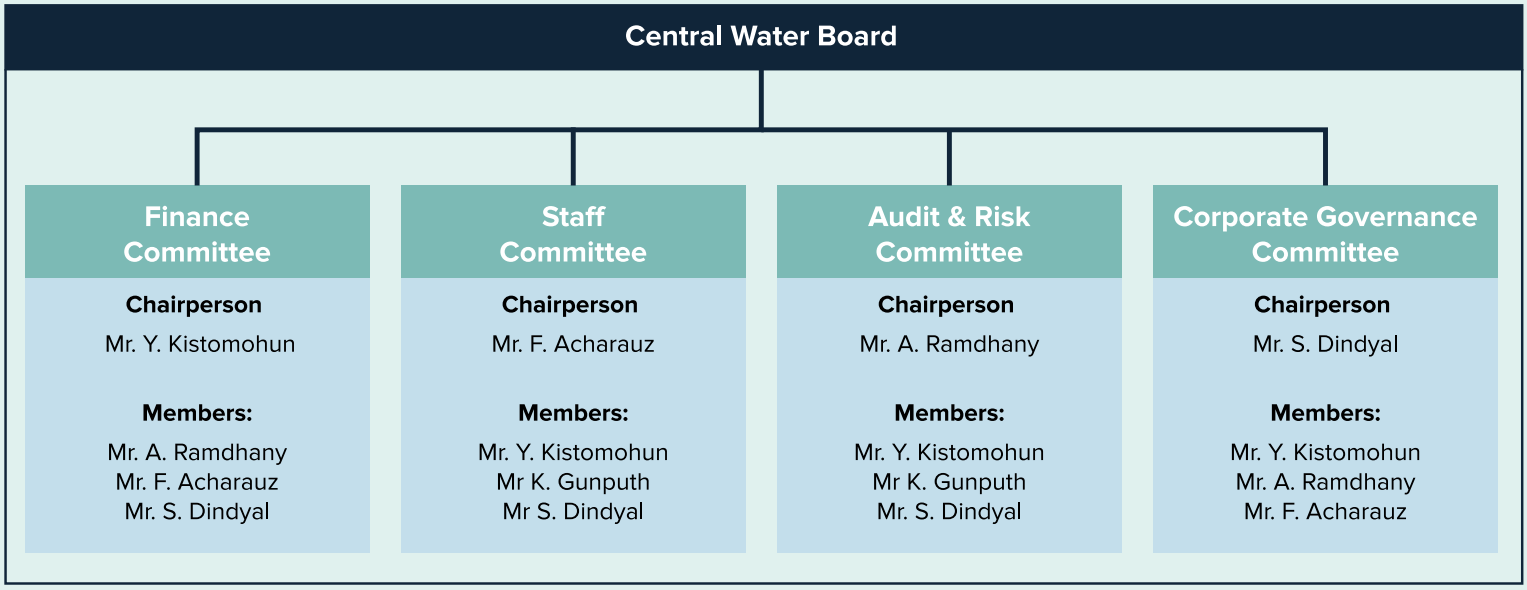
BOARD COMMITTEES

As a focal point of the corporate governance system, the Board is aware that it is ultimately responsible and accountable for the performance and affairs of the organisation. However, with a view to enabling the Directors in discharging their duties through a more comprehensive evaluation of specific issues, the Board has set up a structure of Board Committees. Each Board Committee operates under defined Terms of Reference whereby attention is given to specific issues pertaining to finance and procurement, human resources, audit and risk management and corporate governance. The Board Committees, comprising of only members of the Board, are advisory in nature and recommendations are submitted to the Board for approval. The Chairperson of the Board did not chair any of the Board Committees.

The structure of the Board and Board Committees for the period July to October 2024 was as follows:



The structure of the Board and Board Committees for the period February to June 2025 was as follows:



FINANCE COMMITTEE

The Finance Committee assists the Board with respect to all financial aspects, procurements and expenditures above the General Manager's financial authority.

Role and responsibilities

The main responsibilities of the Finance Committee include:

- Reviewing the Authority's financial policies, strategies and make recommendations to the Board on issues discussed at level of the Committee;
- Considering and assessing the recommendation/s of the Procurement Committee (PRC) and the Departmental Bid Committee (DBC) in respect of procurements/expenditures exceeding the financial authority of the General Manager and make recommendation/s to the Board for approval / award;
- Examining the Authority's Annual Budget, Cash Flow Statements and other related issues and to make recommendation/s to the Board;
- Monitoring the progress of capital projects of the Project Monitoring Office with a view to ensuring that same are on schedule;
- Discussing and recommending remedial actions as proposed by Management to major issues and bottlenecks affecting the smooth implementation/progress of projects.

More information on the Finance Committee can be obtained on the Finance Committee Charter on the CWA's Website.

Attendance at the Finance Committee for the FY 2024/25 was as follows:

Period July - October 2024

No. of Meetings: 3

Board Members	Meeting Attendance
Chairperson	
Mr. Y. Kistomohun	3
Members	
Mr. H.R. Urdhin	3
Mr. T. Moossun	2
Mr. M.L. Veeraragoo	3

Period February - June 2025

No. of Meetings: 2

Board Members	Meeting Attendance
Chairperson	
Mr. Y. Kistomohun	2
Members	
Mr. A. Ramdhany	2
Mr. F. Acharauz	2
Mr. S. Dindyal	2

STAFF COMMITTEE

The **Staff Committee** assists the Board on matters relating to, inter-alia:

- Human Resource Strategies
- Selection and Appointment
- Remuneration and Performance Management
- Training and Development
- Industrial Relations

Role and responsibilities

The main responsibilities of the Staff Committee include:

- Reviewing the Authority's HR policies, strategies and make recommendations to the Board on issues discussed at the level of the Committee;
- Conducting interviews and making recommendations for recruitment to the Board;
- Reviewing the recruitment and selection procedures and making recommendation for approval by the Board;
- Examining the Authority's Training Plan and HR budgetary requirement and other related issues and to make recommendation/s to the Board;
- Considering and recommending the participation of CWA officers in overseas trainings / seminars / workshops.
- Examining and making recommendations on policies relating to retention of employees within the Authority.

Attendance at the Staff Committee for the FY 2024/25 was as follows:

More information on the Staff Committee can be obtained on the Staff Committee Charter on the CWA's Website.

Period July - October 2024

No. of Meetings: 6

Board Members	Meeting Attendance
Chairperson	
Mr. M.L. Veeraragoo	6
Members	
Mr. Y. Kistomohun	5
Mr. K. Gunputh	4
Ms. A. Goinden	2
Mr. T. Moossun	5

Period February - June 2025

No. of Meetings: 4

Board Members	Meeting Attendance
Chairperson	
Mr. F. Acharauz	4
Members	
Mr. Y. Kistomohun	4
Mr. K. Gunputh	4
Mr. S. Dindyal	4

AUDIT & RISK COMMITTEE

The Audit & Risk Committee assists the Board in discharging its responsibilities and duties in relation to specific matters pertaining to financial reporting process, internal controls, internal audit function, external audit, risk governance, risk frameworks, risk management practices and policies.

Role and responsibilities

The main responsibilities of the Audit & Risk Committee include:

- Examining and reviewing the quality and integrity of the annual financial statements focusing on the under mentioned points, prior to submission and approval by the Board;
- Keeping under review the adequacy and effectiveness of the organisation's systems of internal control;
- Reviewing and approve the charter of the internal audit division and ensure the said division has the necessary resources and access to information to enable it to fulfil its mandate;
- Meeting regularly with the external auditor (including once at the planning stage before the audit and once after the audit at the reporting stage) and at least once a year, without management being present, to discuss the auditor's remit and any issues arising from the audit;
- Overseeing the development of an effective risk management framework for the organisation by implementing rigorous internal processes and controls which identify, monitor, measure and report different types of risk;
- Review the principal risks, including, strategic, financial, operational, compliance, reputational risks and actions taken to mitigate them.

More information on the Audit & Risk Committee can be obtained on the Audit & Risk Committee Charter on the CWA's Website.

Attendance at the Audit & Risk Committee for the FY 2024/25 was as follows:

Period July - October 2024

No. of Meetings: 3

Board Members	Meeting Attendance
Chairperson	
Mr. H.R. Urdhin	3
Members	
Mr. Y. Kistomohun	3
Mr. K. Gunputh	3
Mr. M.L. Veeraragoo	3

Period February - June 2025

No. of Meetings: 1

Board Members	Meeting Attendance
Chairperson	
Mr. A. Ramdhany	1
Members	
Mr. Y. Kistomohun	1
Mr. K. Gunputh	1
Mr. S. Dindyal	1

CORPORATE GOVERNANCE Committee

The Corporate Governance Committee assists the Board with respect to Corporate Governance matters and Ethics.

No meeting of the Corporate Governance Committee was held during the financial year ended 30 June 2025.

More information on the Corporate Governance Committee can be obtained on the Corporate Governance Committee Charter on the CWA's Website.

PROJECT MONITORING COMMITTEE

Upon the reconstitution of the Board in February 2025, the Board has set up a Project Monitoring Committee.

Period February - June 2025

No. of Meetings: 1

Board Members	Meeting Attendance
Chairperson	
Mr. S. Dindyal	1
Members	
Mr. Y. Kistomohun	1
Mr. A. Ramdhany	1
Mr. F. Acharauz	1

The Secretary to the Board and Board Committees for the year under review as follows:

- Mr. R. Neelayya (Administrative Manager) – period July to October 2024;
- Mr. M. F. Dawoo (Assistant Permanent Secretary – Ministry of Energy & Public Utilities) – period February to June 2025.

DIRECTOR APPOINTMENT PROCEDURES

Appointment of Board Members are in accordance with Section 7 of the Central Water Authority Act.

- The Chairperson is appointed by the Minister on such terms and conditions as he thinks fit;
- Two members with experience in agricultural, industrial, commercial, financial, scientific or administrative matters, are appointed by the Minister and hold office for not more than 2 years but are eligible for re-appointment;
- Every ex-officio member remains a member for as long as he holds the office by virtue of which he became a member and every appointed member as per Section 17 of the CWA Act:
    - the Board may, subject to such conditions as it thinks fit, delegate to the Chairperson all or any of its powers, functions and duties, except the power to invest and borrow money;
    - the Chairperson, may with the approval of the Board, delegate in writing to the General Manager or to any other officer any power delegated to him.

DIRECTOR DUTIES, REMUNERATION AND PERFORMANCE

Director Duties

The Board Directors are aware of their legal duties and responsibilities and may seek independent legal advice, at the expense of the Authority, in respect of any aspect of their duties and responsibilities in line with the Board and Board Committee Charter.

Conflict of Interest

The Chairperson ensures that Board Members disclose any conflict of interest issue that the latter may have pertaining to any specific matter. Disclosure of Conflict of Interest is the first item on the agenda for Board and Board Committees. In instances of an actual or potential conflict, the Director concerned withdraws himself / herself from the meeting for that specific matter and the aforesaid Director does not participate in the debate / deliberation of the Board for that specific matter.

Declaration of Conflict of Interest issues by Board Members are duly recorded in the Minutes of Proceedings of the Board / Board Committee meetings.

Information, Information Technology and Information Security Governance

The Board is fully aware of its responsibility to oversee information governance within the Authority. The Board has given its full support to the IT Business Model Strategic Direction as IT forms an integral part of CWA's environment. The need for a clear strategic direction in Information Technology is imperative for CWA to meet the expectation of its stakeholders in general. Our technological drive is geared towards the improvement of service delivery to maximize customer and employee satisfaction.

To ensure a stable and secure network system, all CWA Staff are required to abide to the established rules and regulations. The usage of the Internet and E-mail is subject to some terms and conditions - any new employee of the CWA is required to sign the Internet/Email Usage Agreement which enlists all the policies governing Internet and Email Usage. Likewise, new employees are also made to sign the Information Technology Resources Usage Agreement for rules pertaining to usage of IT Resources at the CWA.

IT Security in the CWA

With the constant digitalisation of its services, it has become vital for the Central Water Authority to protect its digital assets and network devices. It is therefore required that emphasis be put on IT Security across all the whole organisation.

IT Security encompasses several layers and each one has to be secured with the appropriate mechanisms to be able to counter threats e.g. viruses, ransomware, spyware and various methods of network attacks.

TYPES OF IT SECURITY

Network security

Network security is used to prevent unauthorised or malicious users from getting inside the network. This ensures that usability, reliability, and integrity are uncompromised. This type of security is necessary to prevent a hacker from accessing data inside the network. It also prevents them from negatively affecting users' ability to access or use the network.

Internet security

Internet security involves the protection of information that is sent and received in browsers, as well as network security involving web-based applications. Incoming/outgoing traffic is monitored to track for threats and unwanted traffic. This protection comes in the form of firewalls, antimalware, and antispyware.

Endpoint security

Endpoint security provides protection at the device level. Devices that may be secured by endpoint security include cell phones, tablets, laptops, and desktop computers. Endpoint security prevents devices from accessing malicious networks that may be a threat to the organization.

Application security

With application security, applications are specifically coded at the time of their creation to be as secure as possible, to help ensure they are not vulnerable to attacks. This added layer of security involves evaluating the code of an app and identifying the vulnerabilities that may exist within the software.

Board Information

We endeavour to ensure that the Board Directors/Directors of Board Committees be supplied with information in a timely manner to ensure that the latter have sufficient time to take cognizance of the contents to facilitate discussion / decision taking at the level of the Board / Board Committees. As far as possible, the agenda and relevant documents are made available to Board Directors at least 3 days prior to the schedule date of the meeting.

Remuneration of Directors

In line with the CWA Act, Board members are remunerated in the General Fund as the Minister may determine. The amount paid to each Board Member (including the Chairperson) is duly disclosed in our Annual Report.

As agreed at the Meeting of Cabinet **14 August 2020**, the Central Water Board has been considered as a Category A Institution taking into account the mandate of the organization, the size thereof, as well as its volume of transactions. Accordingly, the Chairperson would be entitled to a monthly all-inclusive fee of **Rs 70,000** and the other members would be paid a monthly fee of **Rs 25,000** all inclusive.

During the period under review, the fees (net of PAYE) paid to the Chairperson and Board Members for attendance at Board and Board Committee meetings amounted to **Rs 1,606,500/-** as detailed hereunder:

Period July - November 2024

Board Members	Rs (Net of PAYE)
Chairperson	
Mr. J.R. Seetohul	267,750
Board Members	
Mr. Y. Kistomohun	85,000
Mr. D. Jahajeeah	21,250
Mr. H.R. Urdhin	85,000
Mr. K. Gunputh	85,000
Ms. A. Goinden	63,750
Mr. T. Moossun	85,000
Mr. M.L. Veeraragoo	85,000
Total	777,750

Period February - June 2025

Board Members	Rs (Net of PAYE)
Chairperson	
Mr. M. Peetumber	297,500
Board Members	
Mr. Y. Kistomohun	106,250
Mr. A, Ramdhany	106,250
Mr. K. Gunputh	106,250
Mr. F. Acharauz	106,250
Mr. S. Dindyal	106,250
Total	**828,750**

RISK GOVERNANCE & INTERNAL CONTROL

The Central Water Board recognises that sound risk governance and robust internal controls are critical to ensuring the achievement of its strategic objectives and safeguarding stakeholder interests. As per the requirement of the Code of Corporate Governance of Mauritius paragraph 5.1.3 and 5.1.6:

*"The Board is responsible for the **definition** of overall strategy for risk tolerance to monitor management and the **assurance process** on risk management and to take **corrective action** where and when deemed necessary."*

*"Management is **accountable** to the Board for the design, implementation and detailed monitoring of the risk management process."*

The Board has the overall responsibility for the Authority's system of risk management and internal controls as well as for the assessing of their effectiveness. The Board views risk management as an integral component of good business practice with a view to supporting management's decision making, improving the reliability of business performance and assisting in the preparation of the Authority's consolidated accounts.

The Board acknowledges, however, that the risk governance and internal control in the Authority show significant challenges and deficiencies. Internal audits have uncovered several irregularities and mismanagement within the Authorities financial and operational activities, particularly related to pipe replacement program launched in 2023. The Board further recognises that strengthening these areas remains a critical priority to restore trust and ensure effective delivery of water services across the island.

The Board which has been appointed in February 2025 endeavoured to strengthen its risk management framework by continuously identifying, assessing, and mitigating operational, financial, regulatory, and environmental risks inherent to the Authority. A structured risk management process, incorporating periodic assessments, risk registers, and mitigation strategies to address emerging challenges effectively. Internal control systems have been designed to promote strategic decision-making, safeguard assets, and also maintain the integrity of financial and non-financial reporting. Moreover, regular reviews by the internal audit and Management strengthen the adequacy and effectiveness of these controls, ensuring alignment with regulatory requirements and best practices in corporate governance. Oversight was exercised through the Audit & Risks Committee, which monitored the adequacy and effectiveness of control mechanisms, including financial reporting processes, procurement procedures, and operational safeguards.

An Audit & Risk Committee has been set up to assist the Board in discharging its responsibilities pertaining to, *inter alia*, Risk Management and Internal Control. Matters pertaining to Risk Governance and Risk mitigation and Internal Control system are discussed thoroughly at the level of the Audit & Risk Committee and recommendations made to the Board for approval.

With a view to better assessing, addressing and mitigating the various risks across the various divisions in the Authority, Management is in the process of devising a new Risk Management Framework.

Moreover, following the review conducted at the CWA by the Financial Crimes Commission (FCC) on project management whereby several loopholes have been identified within the current project management framework, the Board and Management have the responsibility to implement the various recommendations within the timeline set with a view to addressing the identified loopholes and promote transparency, accountability and integrity in project management.

The key objectives of the recommended measures are to:

- enhance the governance framework for project management;
- reinforce controls in project management through greater transparency, accountability and integrity;
- eliminate loopholes and opportunities for financial crimes such as fraud and corruption.

REPORTING WITH INTEGRITY

The Board is responsible for the preparation of accounts that fairly present the state of affairs of the organisation.

The Board ensures that in the preparation of the Financial Statements, the Authority has:

- maintained proper accounting records which disclose with reasonable accuracy at any time the financial position of the Authority;
- ensured that the financial statements provide an integral and transparent state of affairs, Income and Expenditure Account and cash flows of the Authority;
- selected suitable accounting policies and applying them consistently;
- safeguarded the assets of the Authority by maintaining appropriate internal control systems and procedures;
- taken reasonable steps to prevent and detect fraud and any other irregularities;
- prepared same on a going concern basis;
- made judgments and estimates that are reasonable and prudent

The audited Annual Reports of the Authority are published on the Authority's website.

Health & Safety

Health and Safety remain a fundamental aspect of the Authority's commitment. Ensuring the well-being of our employees, contractors and communities we serve is integral to our operational ethos and strategic objectives. The Authority continuously strives to uphold rigorous health and safety standards in accordance with the Occupational Safety & Health Act 2005.

As a caring employer, CWA is committed to providing and maintaining a healthy, safe and secured working environment for its employees as well as for its stakeholders in general. During the year under review, the Authority has continued its effort to create an ideal environment for health, safety and welfare of its employees.

Recognising that the operational activities involve permanent exposure to hazards and the safety of its employees is a constant concern, the CWA carried out Hazard Identification and Risk Assessment on all CWA sites on regular basis.

Moreover, in line with the requirements of the Occupational Safety & Health Act 2005, the following activities are undertaken:

- Safety & Health Committees are conducted at regular intervals to look into all aspects health and safety pertaining to the Authority;
- Regular safety and health audit is undertaken on all CWA sites;
- Machinery inspection;
- Training programmes on Safety & Health aspects;
- Yearly fire drill exercise on all major sites;
- Ensuring that protective equipment made available to concerned employees.

Environmental Issues Endeavour

In its endeavour to save energy and to protect our environment the CWA has initiated measures for improving energy efficiency and implementing energy saving measures across its organization.

- Some 15% of the total energy requirement at La Marie Water Treatment Plant is produced from hydro generator;
- Some 10 kW of electricity is produced from Grid tie photovoltaic system installed at CWA Head-Office, St Paul;
- PV lighting system have also been installed at Head-Office and several reservoir sites;
- In line with the Energy Efficiency Act, CWA has initiated action for the commissioning of an Energy Audit on 12 sites.
- Installation of Variable Speed Drives and Power Factor Correction on various sites.
- Energy Efficiency Parameter is taken into account upon procurement of Pumps at the CWA.

Social Issues

a. Disabled Employees

In accordance with Schedule 13 Part 1 of the Training and Employment of Disabled Persons Board Act, an employer having a workforce of 35 or more workers should employ disabled persons representing 3% of the total labour force.

In the fulfilment of its responsibility to assist persons with disabilities to completely integrate the mainstream of society, the CWA endeavours to ensure compliance with the aforesaid Act.

As at **30 June 2025**, twelve disabled employees were in post in the Authority.

b. Exemption from Payment of Water Charges (0 – 6 m^3 Policy)

As per the Central Water Authority (Water Supply for Domestic Purposes) (Amendment) Regulations 2016, which came into operation on **01 January 2016**, consumers consuming up to 6 m^3 of water per month on a first property are exempted from payment of water charges and meter rent. As at **30 June 2025**, the number of consumers exempted from payment of water charges and meter rent, was 83,098 (average of 78,127 consumers per month over the 12 months ending 30 June 2025). The financial implication thereof is to the tune of Rs 4.5M per month (Rs 54M for the FY 2024/25).

Political & Charitable Donations

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

AUDIT

EXTERNAL AUDIT

In accordance with Section 5 of the Statutory Bodies (Accounts and Audit) Act, the Financial Statements of the Authority are subject to audit by the National Audit Office.

The objectives of the audit are:

a. To obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes the opinion of the Director of Audit;
b. To obtain sufficient and appropriate audit evidence to report on whether the Central Water Authority has complied with the Statutory Bodies (Accounts and Audit) Act, the Central Water Authority Act and other applicable legislations, in so far as they relate to its accounts.

Meeting with the Audit Committee

The Board has established a formal arrangement through the Audit & Risk Committee to maintain an appropriate relationship with both the internal and external auditors.

INTERNAL AUDIT

The Authority has an independent Internal Audit Division which reports functionally to the Audit and Risk Committee and administratively to the General Manager.

- A proper communication line has been established between the Chairperson of the Audit & Risk Committee and the Head of the Internal Audit Division of the Authority.

The objective of the Internal Audit is to:

- provide an independent, objective and consulting activity designed to add value and improve CWA's operations;
- assist the Authority in accomplishing its objectives through systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The Internal Audit has the responsibility to:

- evaluate and provide reasonable assurance on proper functioning of:
    - Risk Management – Monitor and Evaluate effectiveness of risk management process;
    - Internal Process – Evaluate systems for compliance with policies, plans, procedures and regulations impacting CWA;
    - Internal Control – Evaluate and report on existence and adequacy of internal controls;
    - Governance System – Monitor and evaluate governance process.
- evaluate effectiveness and efficiency with which resources are deployed;
- evaluate operations to ascertain results are consistent with established goals and objectives.

Our Internal Audit approach is in line with the approved Internal Audit Charter and was conducted in accordance with the International Professional Practices Framework issued by the Institute of the Internal Auditors. Our assurance function comprises mainly of internal audit services which helps towards strengthening the internal control environment.

The Internal Audit exercise for the year under review was carried in line with the Internal Audit Plan FY 2024/25 as approved by the Board on **31 July 2024** on the recommendation of the Audit & Risk Committee. The key audit areas that on which the Internal Audit focussed include Complaint Management, Non-Revenue Water Management, New Supply and Repair of Leaks, Anti-Fraud Unit, Revenue, Expenditure, Review of Financial Statements, Procurement, Fleet Management, Human Resources Management and Inventories.

The accomplishments pertaining to the Internal Audit Plan for FY 2024/25 is as follows:

Nature of Assignment	Planned / Received	Actual (Completed)	% Completion
	No. of Assignment		
Main Audit	12	10	83%
Special Assignments	22	21	95%
Spot Checks	18	17	94%
Follow – Up (Quarterly)	4	1	25%
Total	**56**	**49**	**88%**

RELATIONS WITH KEY STAKEHOLDERS

The CWA recognises that building and sustaining strong relationships with key stakeholders is essential to achieving its mandate of providing reliable and sustainable water supply. During the year under review, the Authority engaged proactively with ministries, regulatory bodies, employees, trade unions, customers and community representatives to ensure that expectations were well understood and addressed.

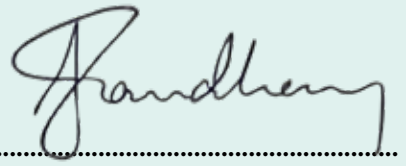
Statement of Compliance

Central Water Authority

Reporting Period: 30 June 2025

We, the Directors of the Central Water Board, confirm that to the best of our knowledge, the Authority has complied with all of its obligations and requirements under the Code of Corporate Governance,

Mr Peetumber Maneswar
Chairperson



Mr Ramdhany Ajay
Board Member

OUR DIVISIONS
AT A GLANCE

The Central Water Authority is structured into several divisions to manage the different aspects of its operations while aligning with the vision, mission and overall objectives of the Authority. A brief description of the major divisions within the Authority is highlighted hereunder:

Operations Division

The Operations division encompasses the water treatment & distribution, infrastructure maintenance, non-revenue water reduction and ensuring the supply of safe water quality across the island.

- **Water Treatment & Distribution**

Overseeing the entire process from water treatment to distribution and ensuring that potable water reaches consumers in compliance with national and international quality standards.

- **Efficiency Enhancements**

Enhancing the efficiency and performance of water distribution network through infrastructure modernisation, regular maintenance and use of advanced monitoring technologies.

- **Non-Revenue Water (NRW) Reduction**

Minimising water loss (due to leaks, theft, metering inaccuracies) through proactive measures aiming to reduce NRW to economically acceptable level.

Water Treatment Plant (WTP) Division

WTP Division is critical to the mission and sustainability of the Authority, serving as the guardian of water quality, environmental health, and reliable supply for all users of Mauritius.

Its core function is to ensure safe and clean drinking water through various methods and technologies to remove impurities and contaminants from raw water. The raw water undergoes a series of processes from aerating pre-treatment, coagulation, flocculation, sedimentation, filtration, backwashing of filters and chlorination prior to be released in the distribution network.

The Division has under its responsibility 8 Water Treatment Plants and 52 mobile Containerised Pressure Filters (CPF) around the island which produce a total of some 515,600 m^3 of potable water on a daily basis.

Non-Revenue Water (NRW) Management Cell

The NRW Management Cell is essential to efficiently manage, reduce, and report water losses, ensuring that as much distributed water as possible is used productively and billed appropriately. The main objective of the Cell are as follows:

- Reducing the current NRW to an Economically Accepted Level conforming to the current Best International Practices;
- Improving the Water Network Efficiency through Active Leakage Management;
- Improving the Management and Monitoring of the Water Network;
- Sustaining NRW Capacity Building and Institutional Strengthening.

The NRW Management Cell has also under its responsibility the Anti-Fraud Unit (AFU) which ensures a robust approach to preventing, detecting, and responding to fraudulent activities.

Planning & Design (P&D) Division

The P&D Division is responsible for driving infrastructure expansion through planning and execution. Its core functions include:

- Conducting surveys and designing pipe laying works;
- Preparing the technical specifications for various capital projects for tendering process;
- Implementing various infrastructural projects such as pipelaying, construction of service reservoirs and rehabilitation/upgrading /construction of new water treatment plants;

By delivering crucial infrastructural projects, the Division plays a pivotal role in ensuring a reliable and safe supply of potable water which ultimately enhancing quality of life and supporting economic development.

Water Resources & Other Support Services (WR/OSS) Division

The WR/OSS Division comprises the following sections:

a. Mechanical & Electrical (M&E) Section

- Responsible for the operation, repair and maintenance of all pumping stations (250 Nos. in total) and the associated chlorination system around the island;

b. Mechanical Services Unit (MSU)

- Responsible for the repair and maintenance of the Authority's fleet of vehicle and plant;

c. Scientific Services (Laboratory)

- Responsible for the testing of raw and treated water to verify compliance with drinking water standards (GN Notice No. 55 OF 1996 /Environment Act 2024) and also provide support services in relation to EIA, PER applications and Ground Water License

d. Water Rights and Ground Water Section

- Responsible for granting rights, licenses and permits to private land owners for the purpose of abstracting ground water;
- Assess applications for water rights in rivers / canals and also drilling of private boreholes for industrial, commercial and agricultural purposes.

e. Meter Workshop

- The workshop is responsible for the repair and testing of cold potable water meters of size DN 15 mm - DN 65 in line with ISO 4064:2014 Standards.

Finance Division

The Finance Division is mainly responsible for overseeing and managing all aspects of the Authority's financial activities and associated resources. Its core responsibilities are as follows:

a. Supports Strategic Decisions: Provides financial insights vital to the Authority's financial strategic planning, decision-making and implementations;

b. Maintains Liquidity: Ensures funds are available to meet operational needs;

c. Promotes Accountability: Tracks the use of resources and enforces budget and financial disciplines;

d. Ensures Legal and other Regulatory Compliance: Keeps operations within the bounds of financial laws, rules and regulations.

The Division comprises 3 Sections, namely:

a. Expenditure Section: Processing of payments (recurrent, including payroll, and capital) and formulating Payment Management policies;

b. Management Accounting Section: Preparing the Authority's Annual Estimates; Filing of Statutory Returns, Preparation of Management Accounts and Report, Reviewing User Fees and Charges, including Management Fees, Ensuring Financial Sustainability and Reporting on Variance Analysis;

c. Financial Accounting Section: Preparing Annual Financial Statements, Periodic Financial Forecasts and Financial Projections, Dealing with Treasury and Fund Management, including Cash Office Operations and Management.

Commercial Services Division

The Commercial Services Division serves as a bridge between the operational / technical teams and the customers, ensuring that service delivery translates into revenue while maintaining customer satisfaction.

The core responsibilities include:

- **Meter Reading & Consumer Billing**

Ensuring accurate and timely reading of water meters for billing purpose on monthly basis.

- **Revenue & Debt Management**

Ensuring efficient collection and maximisation of revenue from services provided.

- **Complaint Management**

Ensuring that complaints pertaining to meter reading sections are handled in line with the Customer Charter of the Authority.

- **Replacement of defective / non-working meters**

This exercise is undertaken on a regular basis to ensure that consumers are billed for water that they are actually consuming.

- **Disconnection of supply for non-payment of water charges**

- **Compliance with Water Regulations**

Human Resources Division

The HR Division serves as a vital link between management and employees, ensuring both legal compliance and the development of a healthy, productive work environment. The core functions include:

- Recruitment & Career Development
- Employee Relations and Rights
- Training & Development
- Payroll Administration
- Occupational Safety & Health
- Employee Welfare & Benefits

Information Technology Division

The IT Division serves as the backbone of the Authority's efficiency, digital security and innovation. Its main objective is to ensure that the technological infrastructure functions smoothly, efficiently and securely to support the Authority's business goals.
The main responsibilities include:

- **Managing hardware and software:**

Installing, maintaining and upgrading computers, servers, applications and databases;

- **Network Administration:**

Ensuring that the Authority's networks are secure and functional.

- **Date Management**

Safeguarding, backing up and restoring the Authority's data as necessary.

- **Cybersecurity**

Implementing security measures to protect the Authority against cyber-attacks and ensuring compliance with relevant regulations.

- **Technical Support**

Providing technical support to user departments and ensure business continuity.

- **Innovation & Strategy**

Identifying and deploying new technologies to enhance business processes and maintain competitiveness.

Procurement Department

The Procurement Department plays a strategic role in sourcing, cost management, risk mitigation and ensuring the smooth operational flow of the Authority. It encompasses for the entire process of procurement of goods and services from upstream to downstream that is identification of needs to managing supplier relationships and ensuring timely delivery of goods and services to the satisfaction of all stakeholders. Its key responsibilities include:

- Ensuring strict compliance with the Regulatory Framework and Internal policies.
- Preparing Annual Procurement Plan and accurate forecasting for the Authority within budget constraints.
- Developing and implementing Procurement Strategies aligned with Operational goals and budget requirement.
- Monitor Procurement Budget and identify cost-saving opportunities.
- Conducting competitive bidding to achieve optimum value.
- Registration, evaluation and management of potential suppliers and reporting of poor performance.
- Ensuring a robust Inventory Management and Control System.
- Ensure consistent availability of goods to support the user Division without disruption in supply.
- Leading Procurement activities with a strong focus on cost control, quality, and timely delivery to achieve value for money.
- Use of the e-Procurement Technology and leveraging of emerging technologies in the Procurement Process.
- Analyse Price Proposal, evaluation report and other data to determine reasonable prices.
- Reporting of Procurement Activities to the Procurement Policy Office.

Communication Cell

The Communication Cell plays a pivotal role in bridging the gap between the Authority, its customers, employees and the wider community. It serves as the backbone for disseminating information, fostering stakeholder engagement and enhancing public awareness regarding water related issues.

The Communication Cell plays a crucial role in enhancing the corporate image of the Authority vis-à-vis the media, the government, the local authorities, its consumers and the public in general.

Its actions directly impact public perception, operational efficiency and crisis management.
Some of its key responsibilities include:

- Internal and External Communication;
- Customer Engagement
- Crisis Communication
- Community Relations

General Administration Division

The General Administration Division acts as the backbone for all support activities, ensuring that all other departments can focus on their core functions. Its role is critical for sustaining productivity, employee satisfaction, and overall organizational effectiveness. The key functions and responsibilities are as follows:

- **Secretary to Board & Board Committees**

Provides Secretarial Services to Board and Board Committees.

- **Office & Facilities Management**

Ensures the workplace is safe, secure, clean and well-maintained.

- **Administrative Support**

Handles correspondences (incoming and outgoing), maintains a proper filing system, archiving of documents and files, and document management.

- **Compilation of Statistics**

Gathering, organizing and processing data from various divisions for annual report and other purposes.

- **Fleet Management**

Overseeing, organising and optimising the Authority's fleet of vehicles (pick-up vans, trucks, water tankers, back-hoe loaders, skid-steel loaders) with the ultimate objective of increasing efficiency, reducing costs and enhancing safety.

Internal Audit Division

The Internal Audit Division is an independent and objective team within the Authority designed to add value by improving operations. Its key role is to provide assurance and advisory services, objectively evaluating governance, risk management, and control processes. Its main responsibilities include:

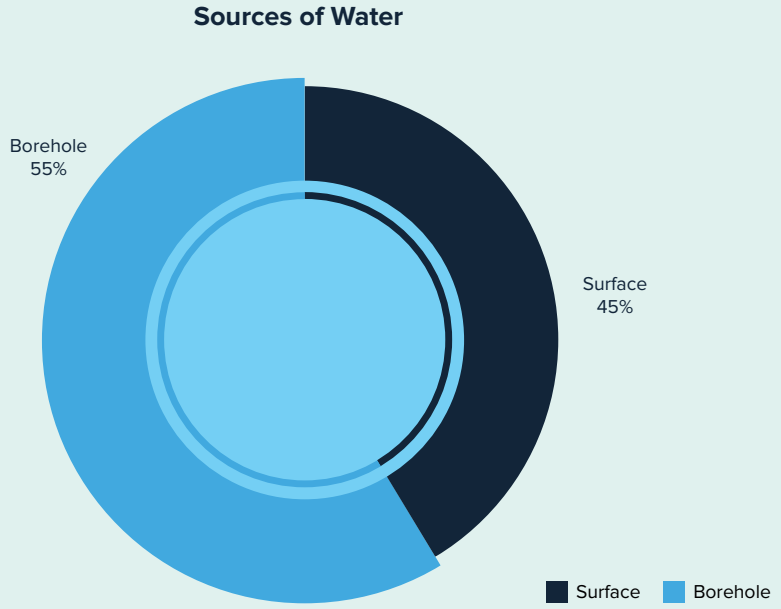
- Assessing internal control systems for effectiveness and recommending improvements;
- Reviewing compliance with laws, regulations, and the Authority's policies;
- Evaluating risk management frameworks and the organisation's risk culture;
- Investigating incidents of fraud or inefficiency and supporting ethical practices;
- Reporting findings and recommendations to the Audit Committee and management for action.

OPERATIONAL OVERVIEW

Water Sources, Production & Distribution

The water supply system in Mauritius is a combination of groundwater and surface water, supported by an extensive infrastructure for production, treatment, and distribution, managed primarily by the Central Water Authority. By virtue of the Central Water Authority Act, the Authority shall be the sole undertaker for the supply of water for domestic, commercial and industrial purposes throughout Mauritius.

Water sources in Mauritius come from two types: groundwater and surface water. Groundwater accounts for about 55% of the total water supply, extracted mainly through some 231 boreholes, while surface water contributes around 45%, sourced from impounding reservoirs and river intakes across the island.



No. of Boreholes & Capacity on a Zone-Wise Basis

Water production involves treatment from both groundwater and surface water. Groundwater, due to its good quality, is typically chlorinated before distribution. Surface water on the other hand undergoes treatment at Treatment Plants or Containerised Pressure Filters (CPFs) island-wide prior to distribution. The total average volume of water produced by the CWA was to the tune of 996,000 m^3/day.

The average daily production of water at level of Water Treatment Plants and Containerised Pressure Filters as follows:

Particular	Average Production (m^3/day)
La Marie WTP	130,000
Pailles WTP	80,000
La Nicolière WTP	100,000
Bagatelle WTP	40,000
Piton du Milieu WTP	33,000
Rivière du Poste	21,000
Mont Blanc WTP	11,000
Bois Cheri WTP	3,500
Production by Containerised Pressure Filters	100,000
Total	**518,500**

The remaining daily production of 477,500 m^3 emanated from water abstracted from boreholes.

Water Supply Zone	No. of Boreholes
Port-Louis	17
North	59
MAV Upper	20
MAV Lower	70
East	29
South	36
Total	**231**

55% of our total raw water resources is derived from groundwater abstracted from boreholes. The water is then chlorinated and injected into our distribution network or service reservoirs. The remaining water for distribution is obtained from surface sources and is treated at CWA's treatment plants and Containerised Pressure Filters (CPFs) prior to distribution.

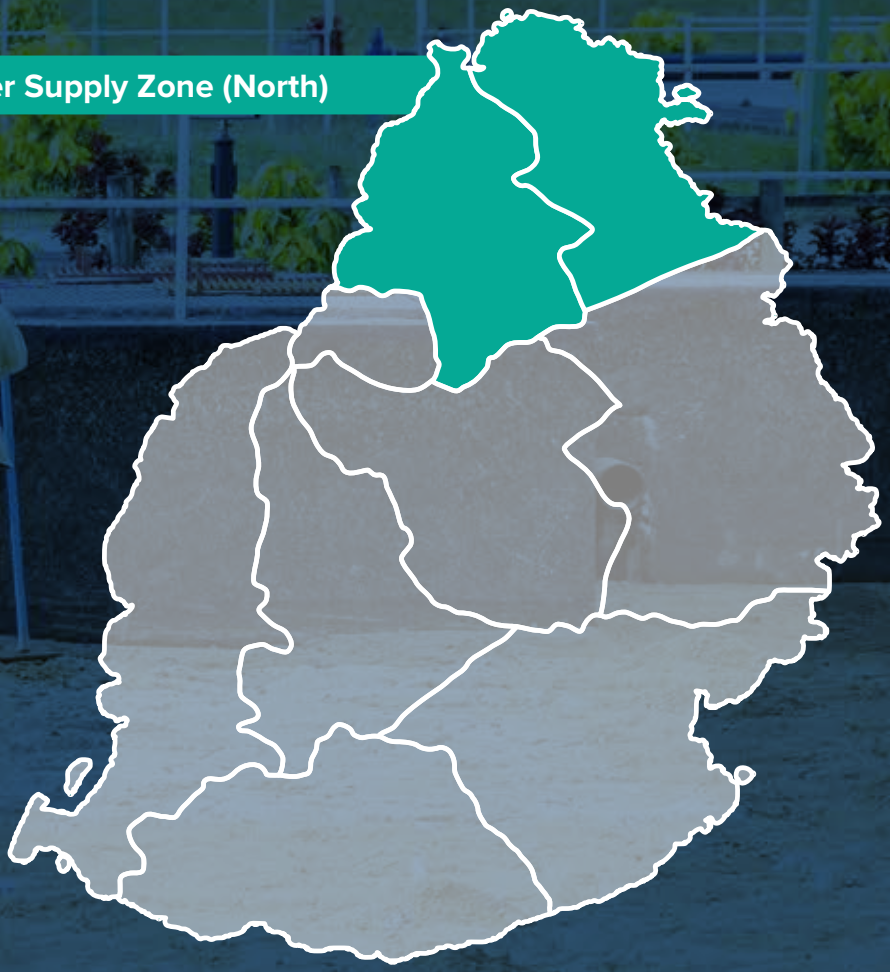
Potable water is supplied across the island through six distribution systems that are organized in six Water Supply Zones. The characteristics of the 6 WSZ are as follows:

The Six Zones at a Glance

1. Water Supply Zone (Port-Louis)

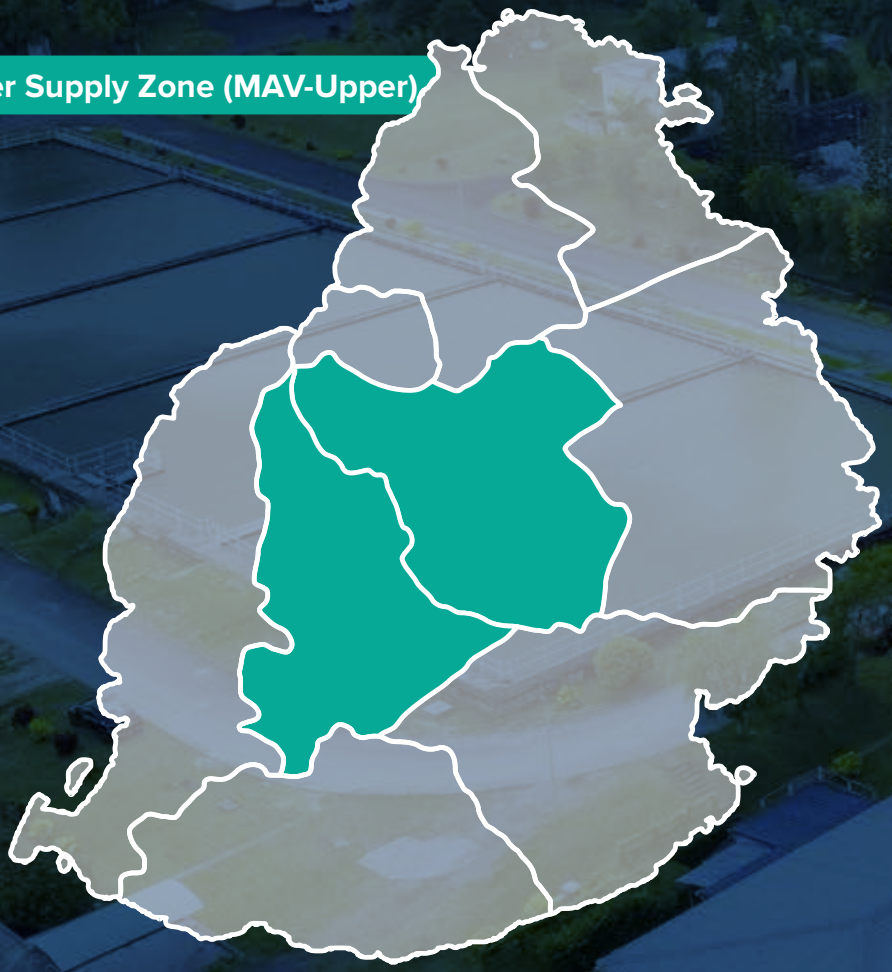
Water Supply Zone (Port-Louis)	
Area	100 km^2
No. of Subscribers	55,383
Length of Pipe Network	654 km
No. of Service Reservoirs	15
No. of Boreholes	17
No. of CPF	1
Average Daily Water Production	127,907 m^3

2. Water Supply Zone (North)



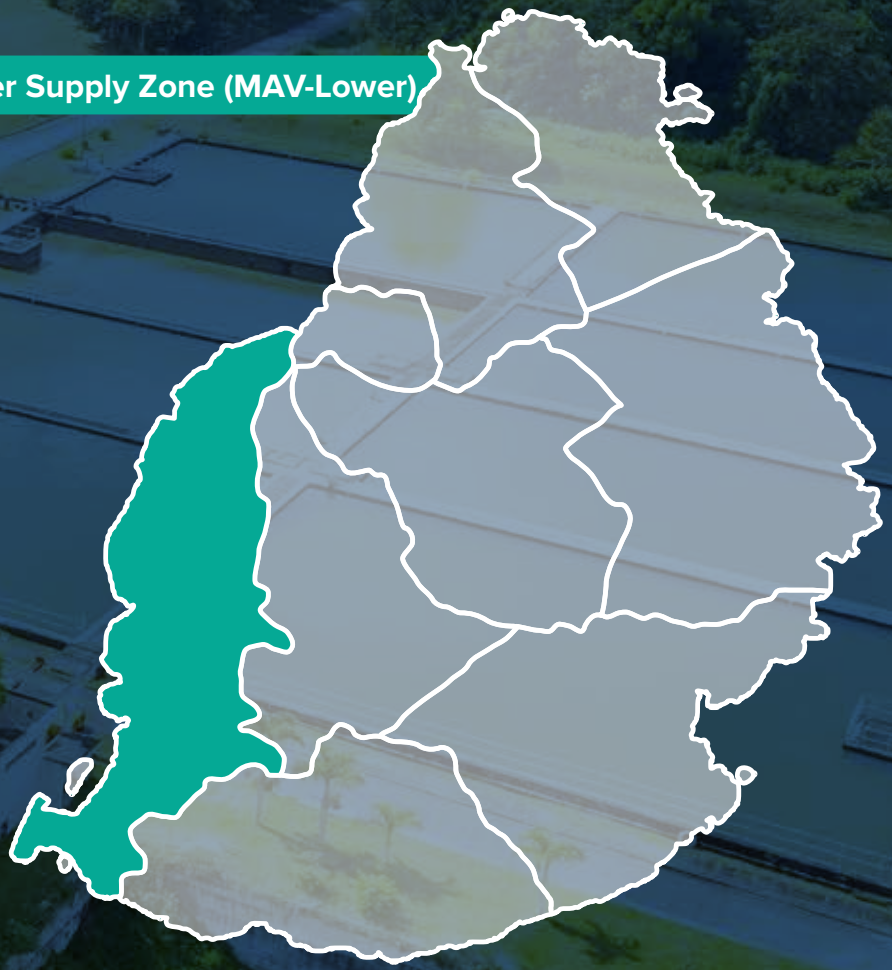
Water Supply Zone (North)	
Area	340 km^2
No. of Subscribers	92,657
Length of Pipe Network	1,241 km
No. of Service Reservoirs	27
No. of Boreholes	59
No. of CPF	18
Average Daily Water Production	213,299 m^3

3. Water Supply Zone (MAV-Upper)



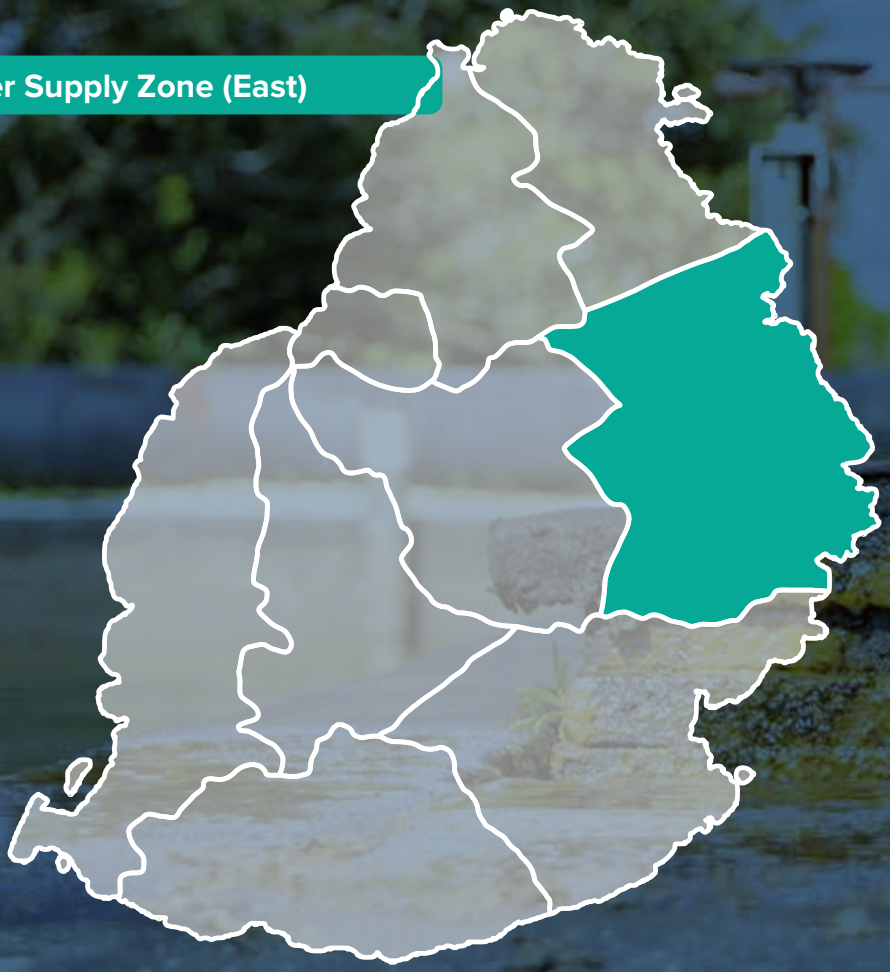
Water Supply Zone (MAV-Upper)	
Area	220 km^2
No. of Subscribers	80,479
Length of Pipe Network	654 km
No. of Service Reservoirs	17
No. of Boreholes	20
No. of CPF	4
Average Daily Water Production	154,103 m^3

4. Water Supply Zone (MAV-Lower)



Water Supply Zone (MAV-Lower)	
Area	200 km^2
No. of Subscribers	70,770
Length of Pipe Network	1,012 km
No. of Service Reservoirs	31
No. of Boreholes	44
No. of CPF	4
Average Daily Water Production	167,990 m^3

5. Water Supply Zone (East)

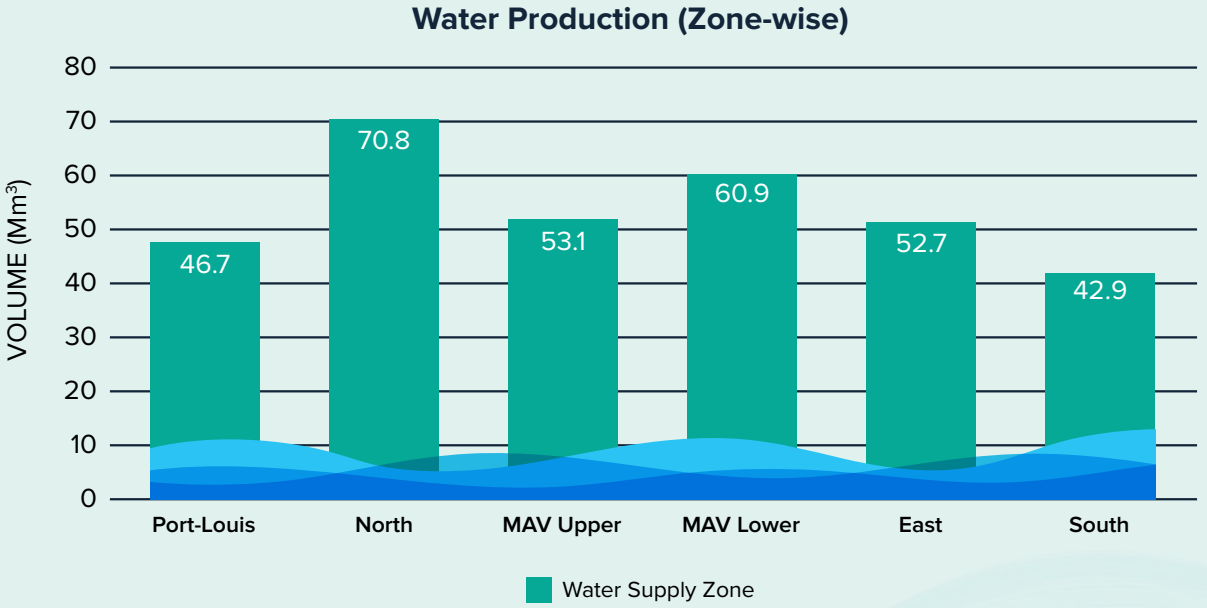


Water Supply Zone (East)	
Area	230 km^2
No. of Subscribers	52,166
Length of Pipe Network	720 km
No. of Service Reservoirs	14
No. of Boreholes	27
No. of CPF	16
Average Daily Water Production	159,399 m^3

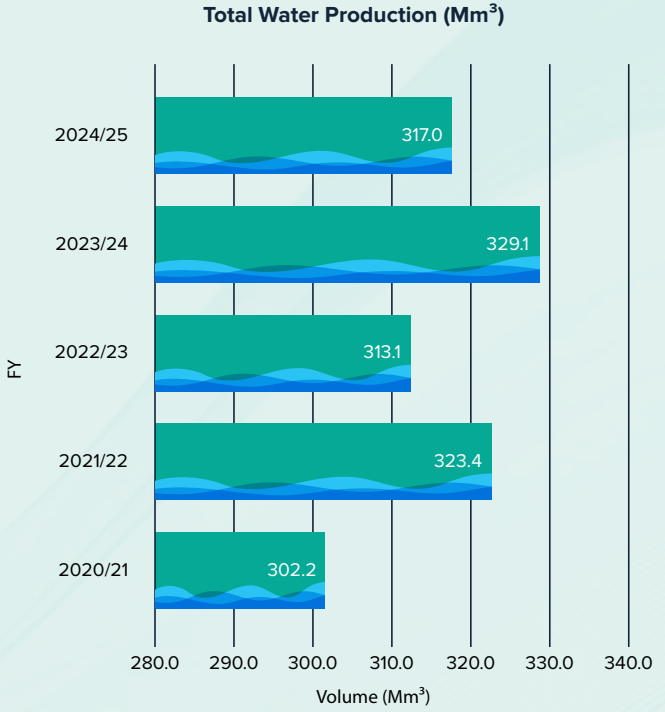
6. Water Supply Zone (South)

Water Supply Zone (South)	
Area	235 km^2
No. of Subscribers	64,130
Length of Pipe Network	767 km
No. of Service Reservoirs	18
No. of Boreholes	23
No. of CPF	9
Average Daily Water Production	99,999 m^3

The total water production for FY 2024/25 stood at 327 Mm³. The water production in the six Water Supply Zones is shown hereunder:

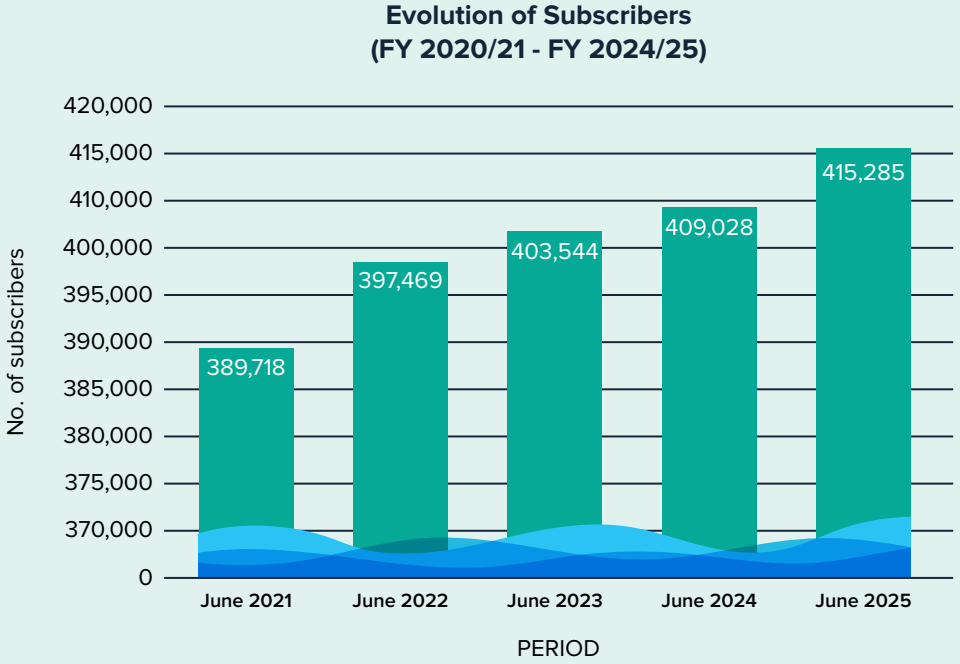


The total water production over the last (5) years is depicted in the graph below.

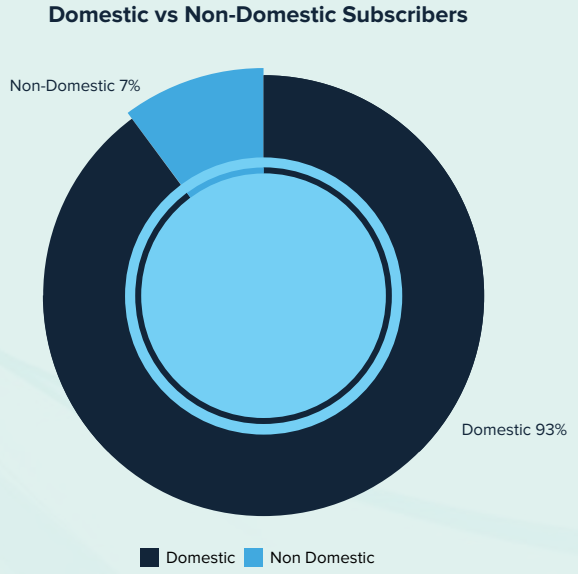


CWA's Subscribers

CWA's subscribers comprise of domestic and non-domestic consumers (commercial, business, industrial, agricultural, government and other religious and charitable organisations). The total number of subscribers reached 415,285 in June 2025. The yearly increase in the total number of subscribers is in the range of 1.5% to 2%. The evolution of our subscribers over the last five (5) years is shown in the graph below:

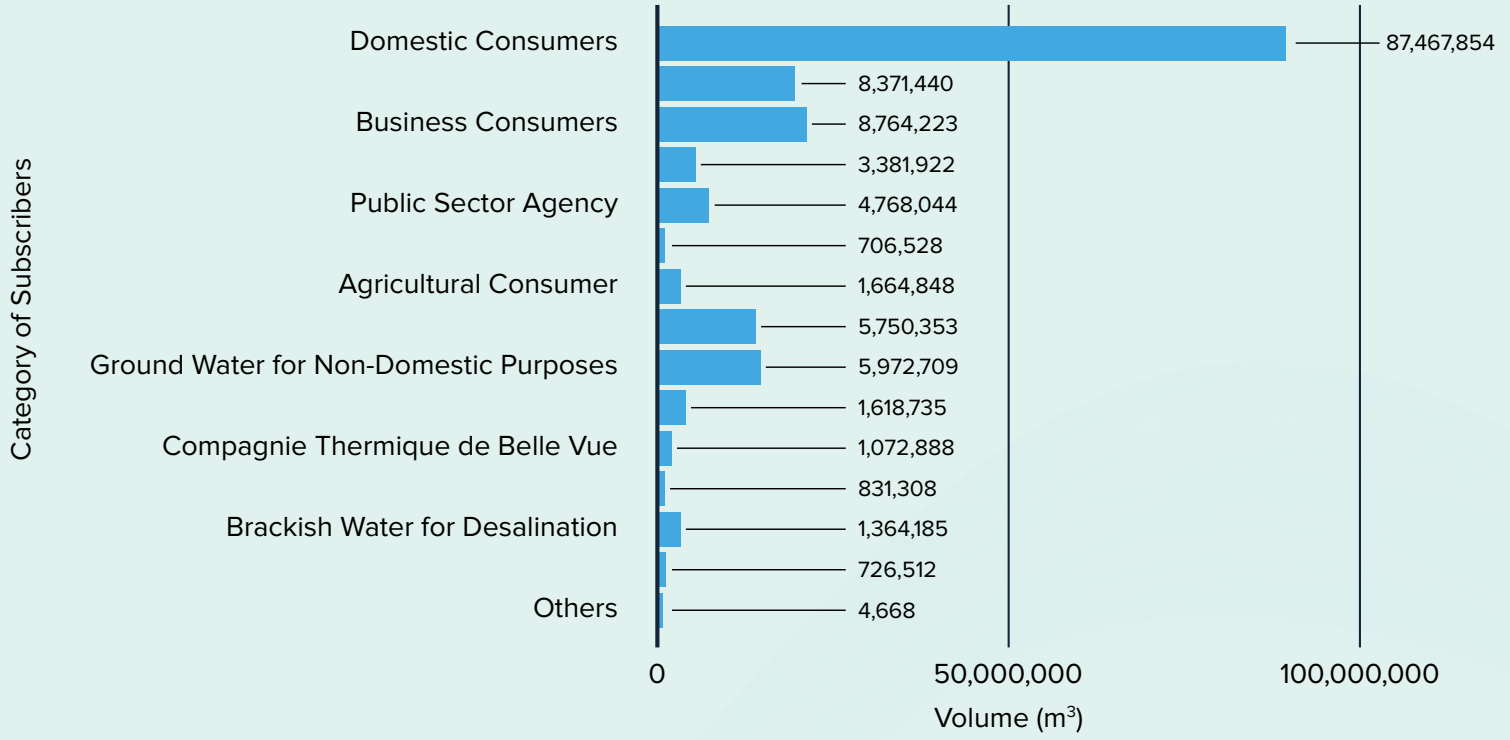


Category of Subscribers

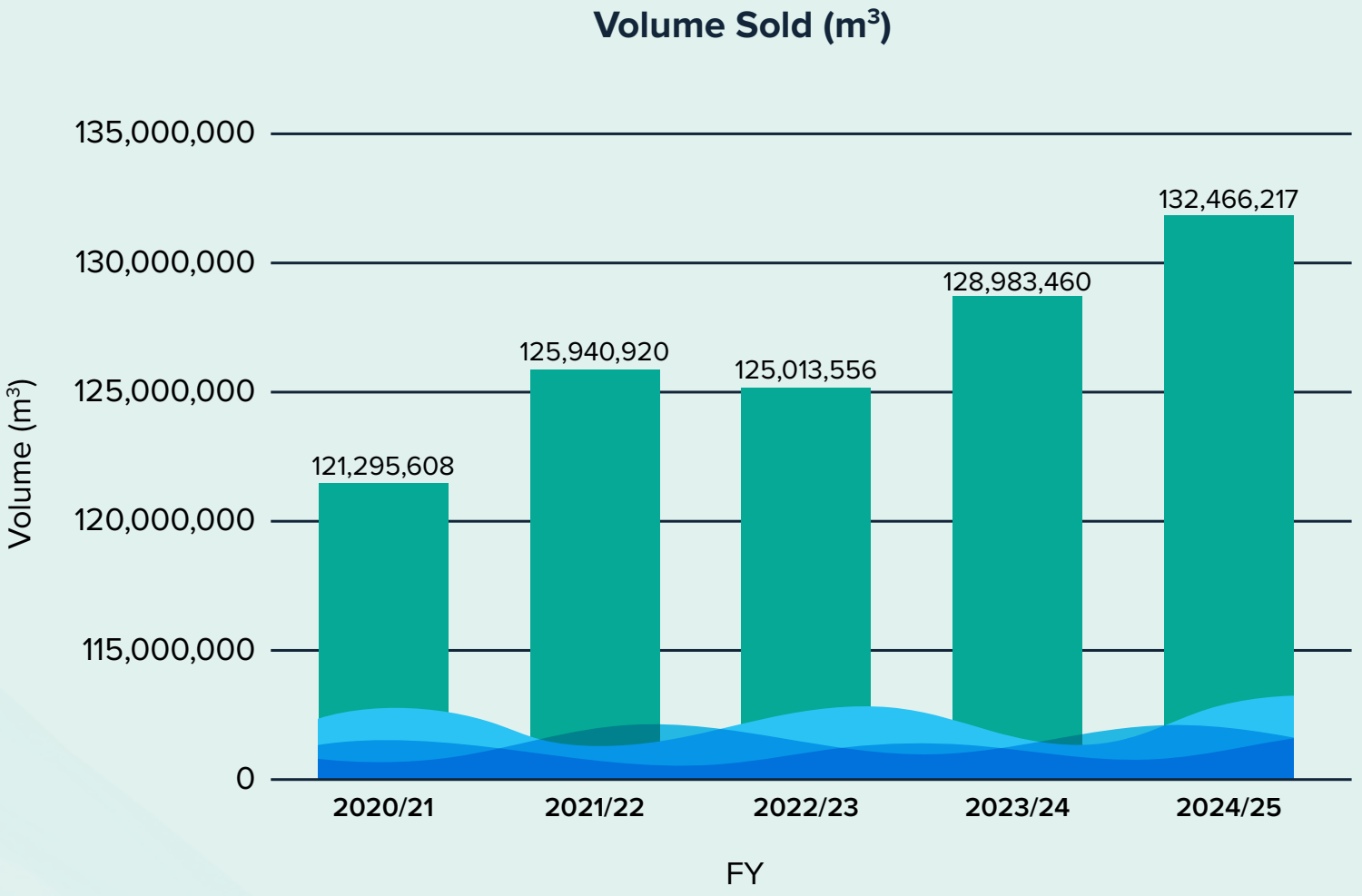


The volume of water consumption for the FY 2024/25 amounted to 132.5 Mm^3 as compared to 129 Mm^3 for FY 2023/24. The volume of water consumed by category of subscribers for June 2025 is shown below:

Water Consumption by Category of Subscribers June 2025



The total water sold over the last five Financial Year (2020/21 – 2024/25) as below:



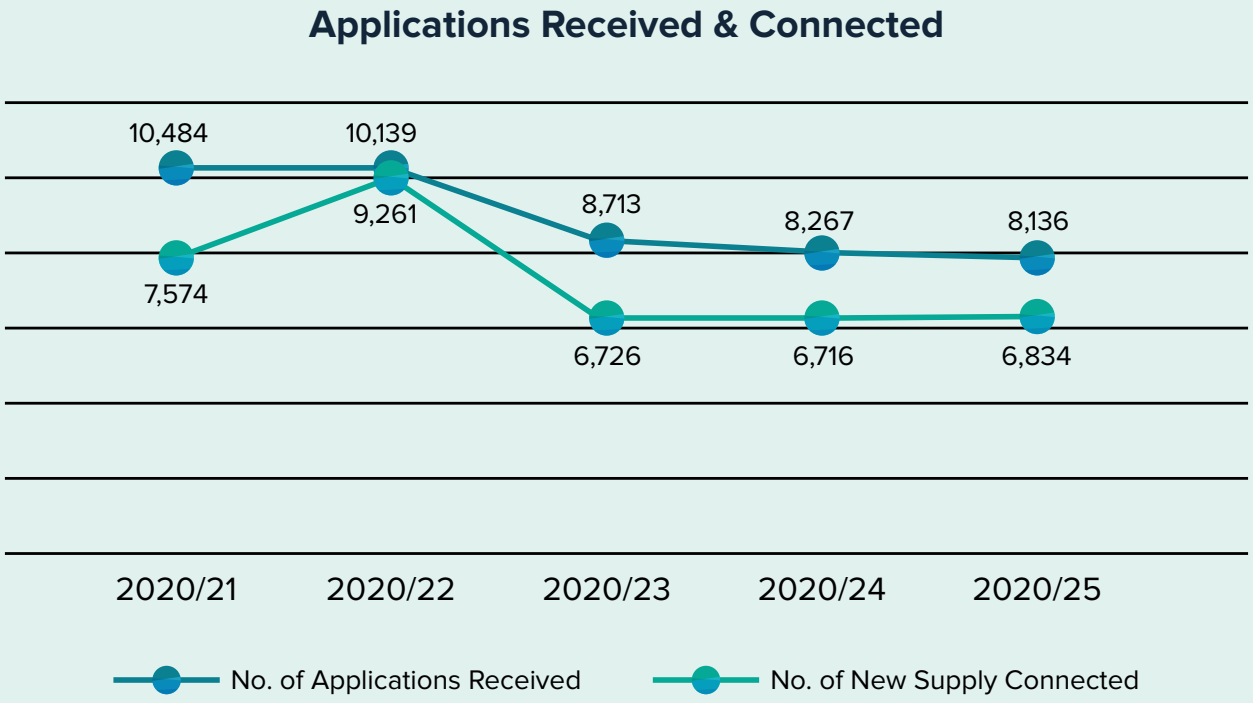
There has been an increase of 2.7% in the total volume sold in FY 2024/25 compared to FY 2023/24.

New Water Connections

During the FY 2024/25, a total of 8,136 applications for new supply were received in the six Water Supply Zones, out of which a total of 6,834 have been duly connected.

Water Supply Zone	No. of Applications Received	No. of New Supply Connected
Port-Louis	1,022	938
North	2,238	2,032
MAV Upper	1,540	896
MAV Lower	1,184	1,282
East	975	662
South	1,177	1,024
Total	**8,136**	**6,834**

The number of new supplies received and connected over the last five financial years is illustrated in the graph below:



Water Infrastructure and Other Associated Works completed during FY 2024/25

In line with its strategy to continue improving the water infrastructure across the island, various works pertaining to pipelaying, construction of service reservoirs and other associated resurfacing works have been undertaken/completed during the FY 2024/25. The works have been undertaken by either SME Contractors or Major Contractors depending on the contract value of the projects. All the works have been initiated and managed by our Planning and Design (P&D) Division.

a. SME Contractors (Works completed during FY 2024/25)

The works completed by SME Contractors during FY 2024/25 are detailed in the following table. The works comprised mainly reinstatement works for pipelaying works undertaken in these regions during FY 2023/24 and as well as new pipelaying works undertaken during FY 2024/25 by Small and Medium Enterprises – SME Contractors. During the year under review a total of **11.3 km** of pipeline has been laid to replace the existing defective pipes.

SN	Description	Type of Project	Length of Pipe (km)
A. Water Supply Zone (Port-Louis)			
1	Road Reinstatement at Albion	Reinstatement	
2	Resurfacing of Works at Piton and Poudre D'Or	Reinstatement	
B. Water Supply Zone (North)			
3	Resurfacing of Works at Goodlands, L'Amitie and Lower Vale	Reinstatement	
4	Renewal of Pipes in the Region of Goodlands-Phase 2	Pipelaying	1.80
5	Renewal of Service Main at Ilot	Pipelaying	1.90
6	Renewal of Service Main at Petit Julie	Pipelaying	1.20
7	Renewal of Service Main at L'Esperance Trebuchet	Pipelaying	1.40
8	Permanent Road Reinstatement Works in the Northern regions - Phase 1	Reinstatement	
9	Permanent Road Reinstatement in L'Amaury	Reinstatement	
10	Permanent Road Reinstatement in Belle Vue Maurel	Reinstatement	
C. Water Supply Zone (MAV-Upper)			
11	Renewal of Pipeline along River View Road , Benjamin Road, Pensée Road,Rose Street ,Orchidée Street and Laterals at Verdun	Pipelaying	1.00
12	Permanent Road Reinstatement at Morc Rogers & Ramalingum in Forest Side	Reinstatement	
13	Permanent Road Reinstatement at Nouvelle Decouverte	Reinstatement	
14	Procurement for the Milling, Resurfacing of Roads and Laterals Works - Highlands Phase 1	Milling & Resurfacing	
15	Procurement for the Milling, Resurfacing of Roads and Laterals Works - Highlands Phase 2	Milling & Resurfacing	

SN	Description	Type of Project	Length of Pipe (km)
D. Water Supply Zone (MAV-Lower)			
16	Road Reinstatement at Coromandel & Pailles	Reinstatement	
17	Permanent Road Reinstatement at Allée Tamarin, Boundary Road, Ave. des Palmiers and Allée Jacques Bambous	Reinstatement	
18	Permanent Road Reinstatement at Morc. Bismic Flic-en Flac	Reinstatement	
19	Permanent Road Reinstatement in the Western Regions - Phase 1	Reinstatement	
E. Water Supply Zone (East)			
20	Temporary Road Reinstatement at Bonne Veine	Reinstatement	
21	Permanent Road Reinstatement in the Eastern Regions	Reinstatement	
F. Water Supply Zone (South)			
22	Renewal of pipelines in Nababsingh Road, Old School Road and Laterals at Camp Diable	Pipelaying	1.30
23	Renewal of Pipeline at Club Road , Allée des Orchides and Laterals at Camp Bhai-Beau Vallon-Phase 1	Pipelaying	1.30
24	Pipe replacement at SSR Road, Camp Vacoas, Coulisse Road- Rivière Des Anguilles and Paradise Road , Tyack	Pipelaying	1.40
25	Permanent Road Reinstatement at Bon Espoir Road , Bissoondoyal Road and Lateral-Rivière des Creoles	Reinstatement	
26	Permanent Road Reinstatement at Mosque Road & Laterals - Surinam	Reinstatement	
27	Permanent Road Reinstatement at Morc. Prudhomme-Rivière des Anguilles	Reinstatement	
28	Permanent Road Reinstatement at Union Park	Reinstatement	
29	Permanent Road Reinstatement at Souillac	Reinstatement	
30	Permanent Road Reinstatement at Lamusse Rd, Community Rd and Dispensary Rd at Nouvelle France	Reinstatement	
31	Permanent Road reinstatement at Puttur Lane, Riv Du Poste	Reinstatement	
32	Permanent Road reinstatement Works in the Southern Regions-Phase 1	Reinstatement	
33	Permanent Road Reinstatement at Doolum Lane, Chacal Street, Bhageloo Street, Alouette Street, Miss Groom Street and Adjoining Laterals at New Grove	Reinstatement	
34	Permanent Road Reinstatement at Mosque Road, Eric Boucher Street, Paul Ducray Street, EDC Road, Pitot Street, Stevenson Street, Duncan Street and Laterals at Souillac	Reinstatement	

35	Permanent Road Reinstatement at Bissoondoyal Rd, Kalimaye Rd & Laterals at Nouvelle France and at Shivala Road and Laterals at Rose Belle	Reinstatement	
SN	**Description**	**Type of Project**	**Length of Pipe (km)**
E. Water Supply Zone (East)			
36	Permanent Road Reinstatement at Residence Building in Bois Cheri and La Mare Street- Mare D'Albert	Reinstatement	
37	Permanent Road Reinstatement at NHDC and Residence Batimarais	Reinstatement	
Total Pipe laid			**11.30**

b. Major Contractors (Works completed during FY 2024/25)

SN	Description	Type of Project	Length of Pipe (km)	Site
A. WSZ - South				
1	Renewal of pipeline in the Region of Mahebourg - Phase 1	Pipelaying	5.30	Mahebourg
2	Renewal of pipeline in Mahebourg - Phase 2	Pipelaying	7.80	
3	Renewal of pipeline at L'Escalier and adjoining areas - Phase 1	Pipelaying	4.87	L'Escalier
4	Renewal of Lateral Pipes in the Region of L'Escalier - Phase 2	Pipelaying	4.85	
5	Renewal of pipeline from Ferney to Bambous Virieux - Phase 1	Pipelaying	6.42	Ferney to Bambous Virieux
6	Renewal of pipeline from Ferney to Bambous Virieux - Phase 2	Pipelaying	6.64	
7	Miling, Resurfacing of Roads and Related Works in the Region of Mahebourg - Phase 1	Miling & Resurfacing	N/A	Mahebourg
8	Design & Build for a Glass Fused to Steel Reservoir & associated works at Nouvelle France (2,500 m^3)	Reservoir	N/A	Nouvelle France
B. WSZ - East				
9	Design and Construction of a Reinforced Concrete Service Reservoir at Alma (3000m^3) and Ancillary Works	Reservoir	N/A	Alma
C. WSZ - North				
10	Renewal of Service Main along St Michel Road and Ancillary Works in the region of Grand Gaube & Roche Terre	Pipelaying	2.14	Grand Gaube & Roche Terre
Total Pipe laid			**38.02**	

c. On-going Works

As at 30 June 2025, the following works by SME Contractors, Major Contractors and Consultants were still on-going.

(c1) SME Contractors

SN	Description	Type of Project	Zone
1	Renewal of pipeline along Mercedes Road & Laterals at Circonstance St Pierre (1.85 km)	Pipelaying	MAV (Upper)
2	Renewal of Pipeline at SSR Road and Laterals Mare Tabac (1.1 km)	Pipelaying	WSZ South
3	Permanent Reinstatement in the East Region	Reinstatement	WSZ East
4	Permanent Road Reinstatement in the Southern Regions	Reinstatement	WSZ South
5	Permanent Road Reinstatement in the Southern Regions	Reinstatement	WSZ South

(c2) Major Contractors

SN	Description	Type of Project	Zone
1	Renewal of Pipeline at St Croix (4.8 km)	Pipelaying	Port Louis
2	Renewal of Pipeline in the Region of St Julien D'Hotman (9.5 km)	Pipelaying	MAV (Upper)
3	Pierrefonds Leg1A - Renewal of 2 km Main from St Martin Cemetry to New Bosquet Reservoir and Associated Works (2.3 km)	Pipelaying	MAV (Lower)
4	Renewal of pipeline in lateral roads in the region of Mahebourg (Phase 3) (6.45 km)	Pipelaying	South

(c3) Consultancy Services

SN	Description	Type of Project	Zone
1	Rehabilitation and Extension of La Nicolière WTP	BOT Project	North
2	Consultancy Services for the Study, Design Preparation of Bid Document, Assistance in Bid Evaluation and Supervision/Contract Management for Construction of Chlorine Storage Building and Associated Works at La Nicolière	Consultancy	North
3	Consultancy Services for the Upgrading of Rapid Gravity Filtration Plant at La Marie WTP and Associated Pipelines	Consultancy	MAV (Upper)
4	Consultancy Services for Water Mobilisation, Treatment and Pipeworks Downstream of Ferney Power Station	Consultancy	South
5	Consultancy Services for The Feasibility Study, Design And Preparation of Bid Document for the Upgrading of Mont Blanc Treatment Plant and Piton Du Milieu Treatment Plant	Consultancy	South

Incremental Volume of Water for Period July 2024 to June 2025

With a view to addressing the challenges posed by increasing water demand, prolonged drought periods and improving water supply situation in water stressed regions across the island, the Authority continued to continue to explore and exploit new water sources. During the FY 2024/25, a total of **21,196 m³/day** incremental water has been harnessed from the following underground sources and put in the distribution network:

SN	Water Supply Zone	BH No. & Site	Date Tested	Region Supplied	Incremental Yield (m³/day)
1	Port-Louis	BH 1438 - Puspass	Sep-24	Bosquet Reservoir, Coromandel	6,000
Total Port-Louis					**6,000**
2	North	BH 1439 - L'Esperance Trebuchet	Oct-24	Grand Gaube, Roche Terre	7,920
3		BH 1455 - Mapou	Apr-25	Old Goodlands Reservoir	648
Total North					**8,568**
4	East	BH 1444 - Constance	Dec-24	Poste de Flacq	4,128
Total East					
5	South	BH 1434 - Camp Diable	Jul-24	Camp Diable	2,500
Total South					**2,500**
Total Incremental Yield (m³/day)					**21,196**

Water Quality Laboratories

In accordance with the CWA Act, the CWA has the responsibility to ensure that water supply conforms with such standards as are laid down by law. As such, prior to water distribution in our network, system tests are performed at the Water Quality Laboratory to ensure compliance with WHO Guidelines and Drinking Water Standards.

The Laboratory Section provides Scientific & Environmental support to the Authority and has the mandate to monitor the quality of raw and treated water supplied to consumers. The quality of water (raw and treated) is monitored in every region of the island on a weekly basis.

The Scientific Services of the CWA has two (2) laboratories (Chemistry and Microbiology) which are both accredited to ISO 17025:2017 - International Standard General Requirements for the competence of testing and calibration laboratories for a total of 23 chemical and microbiological parameters. CWA has also set up a Micro-algae laboratory for the identification and enumeration of algae in the impounding reservoirs in Mauritius. The following tests are performed by the Water Quality Laboratories of CWA:

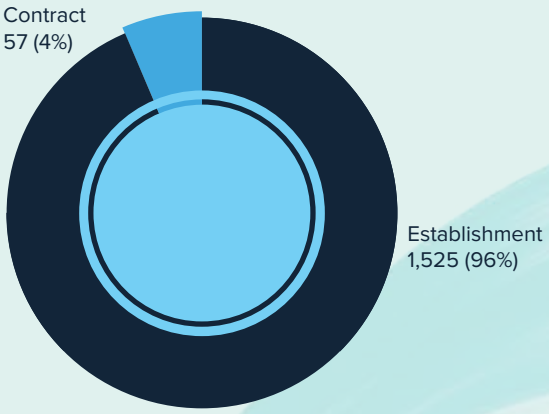
- Residual Chlorine test
- Bacteriological test
- Physical test
- Physico-Chemical test
- Biological test
- Disinfection test

Field	Testing Capability	Accredited Parameters	Average No. of Tests / Month
Physio-Chemistry	32	19	2,000
Microbiology	5	4	235
Microalgae	42		12

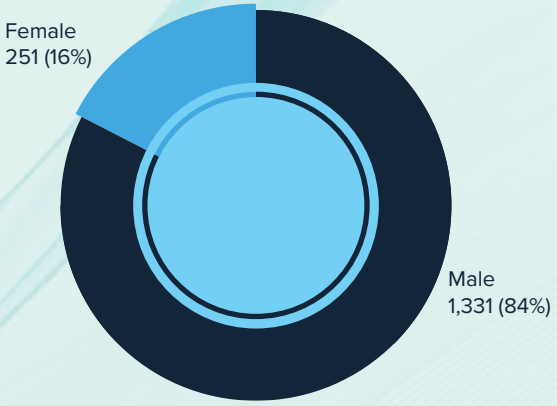
Our Manpower

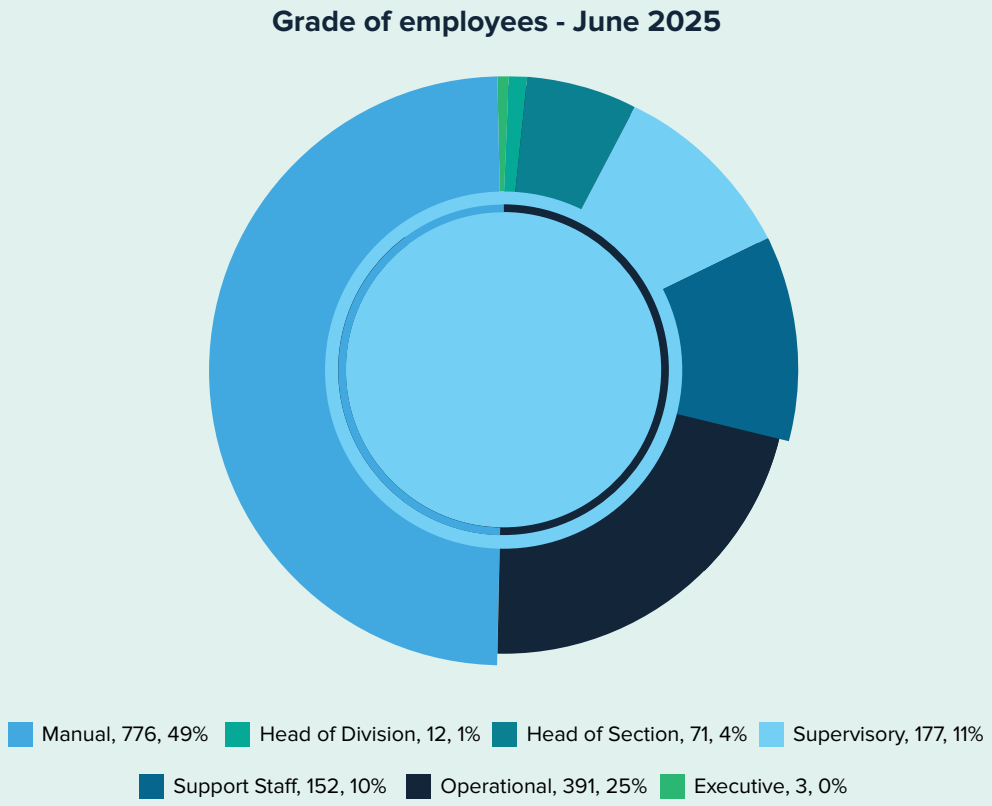
As at **30 June 2025**, there was a total of 1,582 employees in the Authority (1,525 employees on establishment and 57 employees on contract). Male employees consisted of 84% of the total manpower while female employees consisted of 16%.

Employees on Establishment & Contract - June 2025



Employees (Gender-wise) - June 2025





Training & Development

In line with the Authority's mission to provide excellent water services, the CWA has continued its strategy to focus on building staff capacity in a working environment that values diversity and enables employees to realise their full potential to better serve the consumers. During the year under review, a total of 851 employees underwent training programs related to the water sector encompassing various areas including, inter-alia, leadership, communication, customer service, technical skills, water preservation.

Particular	In-House	Local	Overseas	Total
No. of Training Sessions	72	61	3	**136**
No. of Employees having followed Training	802	46	3	**851**
Estimated Hours of Training	4,635	733	199	**5,567**

Digital Transformation – Phase-wise Approach

The main objective of the IT Division is to work towards digital transformation initiatives by leveraging technology to modernize the Authority and to ensure business continuity. The address the challenges ahead, the IT Division has adopted a phase-wise approach for digital transformation.

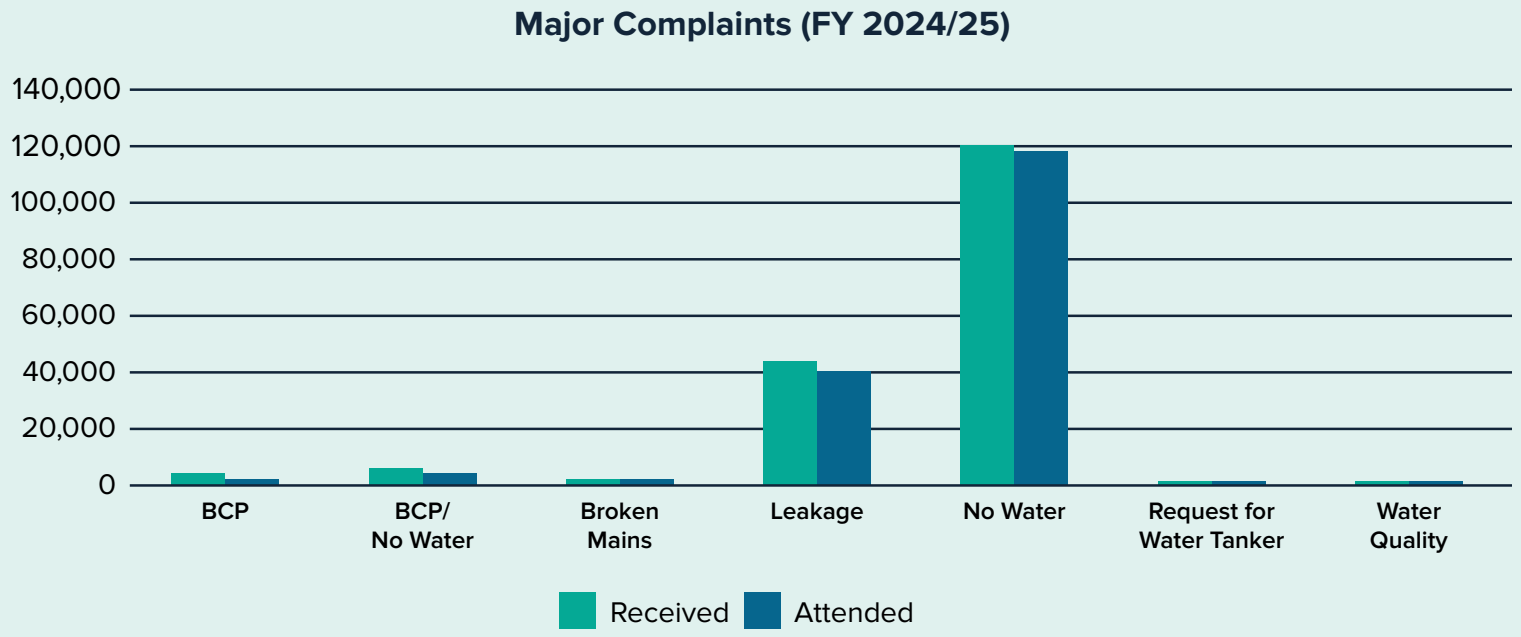
Some major IT Achievements during FY 2024/25

- **Replacement of Veritas Net Backup Appliance**, its purpose is to strengthen the Authority's data protection and disaster recovery capabilities and ensuring business continuity, compliance, and resilience against data loss or cyber threats. Additionally, it is also used to streamline backup and restoration processes for all physical and virtual servers.
- **Implementation of a Cloud based HR System** including the Leaves Management System, Employee benefits, Attendance, Payroll and Integration with CWA Applications. It also includes an online Self-Service Portal, allowing CWA employees to access HR services such as leave applications and payslips anytime.
- **Implementation of new face recognitions devices** across all CWA sites and Time and Attendance software.

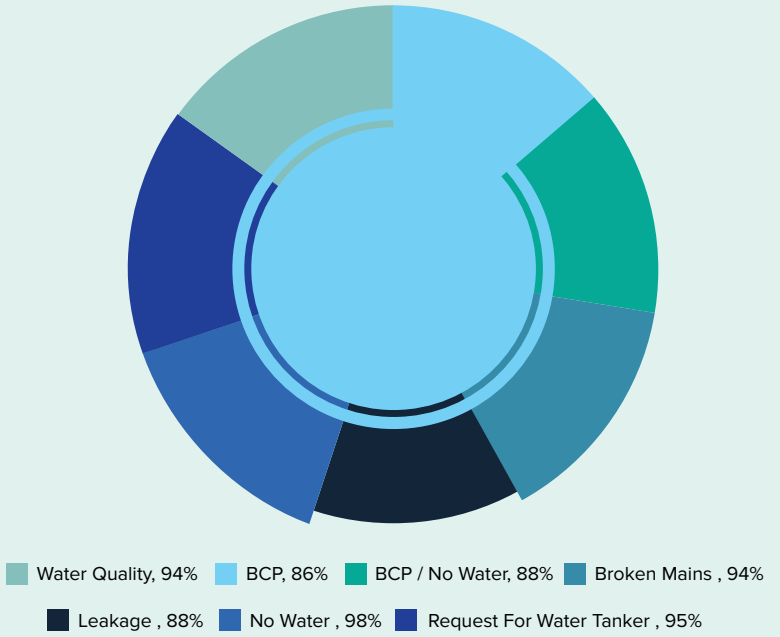
Complaints Handling

Customer complaints at the level of the Authority are usually handled at the level of the Customer Experience Service Centre through the hotline service (170). Complaints can also be registered via mail, phone and in-person visits to the customer service centres across the island. For each complaint received a serial reference number is provided for ease of tracking the progress of the complaint. Complaints are recorded in the online Customer Service System (CSS) and the relevant officers of the respective Zones can retrieve the complaints for investigation and / or attending same. The seven most common and critical complaints received can be categorized into (i) No Water (ii) Leakage (iii) Broken Main (iv) Broken Communication Pipe (v) Broken Communication Pipe / No Water (vi) Request for Water Tanker (vii) Water Quality.

The seven critical complaints received and attended during the year under review are depicted as follows:

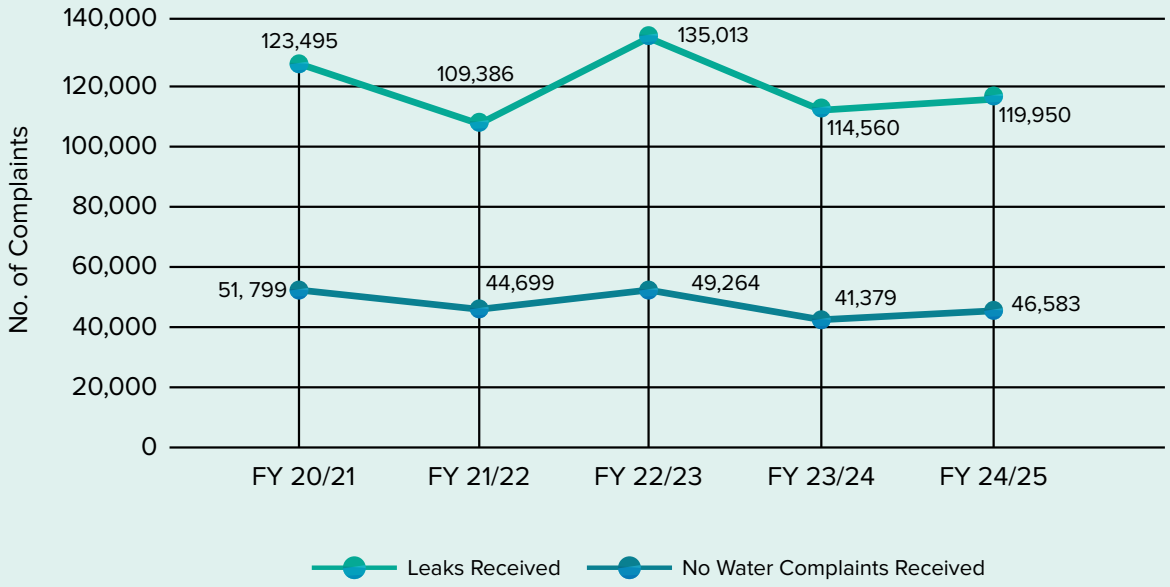


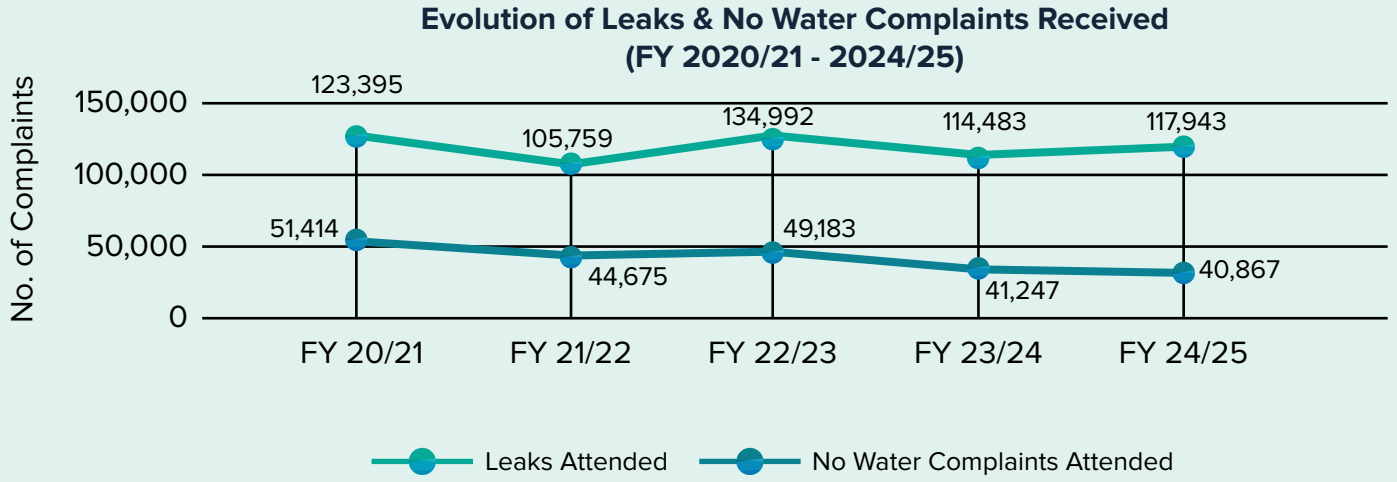
% OF CRITICAL COMPLAINTS ATTENDED (FY 2024/25)



The evolution of complaints pertaining to leaks and no water (received and attended) during the FY 2020/21 to FY 2024/25 is depicted hereunder:

Evolution of Leaks & No Water Complaints Received (FY 2020/21 - 2024/25)





Communication with our Stakeholders

Some major achievements of the Communication Cell during the FY 2024/25 are highlighted below:

- Sensitisation campaign in the media on the need to use water judiciously especially during the Dry Season;
- Press Tours organised for the media to various reservoirs to seek their collaboration to convey the message regarding the water crisis;
- Organised press tours to various sites where new boreholes were drilled;
- Sensitisation campaigns carried out on billboards at metro stations;
- Social Media was extensively used to sensitise the population on the Dry Season;
- World Water Day 2025 was celebrated on Saturday 22nd March 2025 at the R. Burrenchobay Lecture Theatre, University of Mauritius, Reduit in the presence of the Hon. P. Assirvaden, Minister of Energy and Public Utilities;
- The media campaign was launched to inform CWA subscribers and the public at large regarding the updating of the consumer database;
- Participation of representatives of the CWA in radio and television programs & live radio interventions;
- Publication of posters/flyers/ pamphlets to raise awareness of consumers and the public in general on the importance of saving water;
- Outreach Programs at Calebasses and Bambous to encourage CWA subscribers and the public at large to take advantage of the Water Tank and Domestic Water Pump Grant Scheme;
- Participation in the “Salon de la Maison et du Jardin” at the SVICC ;
- Production of several small clips on the CWA, with the technical support of the MFDC;
- Tree Planting Activity organised in the yard of La Nicolière Water Treatment Plant to mark World Environment Day.

FINANCIAL REVIEW

FINANCIAL REVIEW AND HIGHLIGHTS

JULY 2024 TO JUNE 2025

The Authority showed a deficit of Rs 476 Million in the financial year 2024/25 before accounting for Finance Costs of Rs 278.5 Million, thus ending with a Net Deficit of Rs 755 Million as compared to a bottom-line reported deficit of Rs 325 Million in the previous financial year (as restated). During the year under review, the Authority experienced an increase of 5% in its total assets in 2024/25 as compared to 2023/24, mainly due to an increase in value of non-current assets.

Total liabilities increased by 13% mainly due to an increase in its overdraft facility and other payables.

At 30 June 2025, cash and cash equivalents stood at Rs 334M (2023/24: Rs 627M) whilst bank overdraft balance was Rs 266.7M (2023/24: Rs 149.6M). The Authority had no term deposits with local banks at year-end.

Main Financial Indicators

1. Operating Ratio

The Operating ratio, showing the ability of the Authority to finance its operating expenses from its operating revenue, increased to 1.36 in 2024/25 (2023/24: 1.15). This was due to an increase in operating expenses in 2024/25.

2. Operating Cash Flow ratio

This ratio indicates the ability of the Authority to meet its loan repayment and interest on loans from operations.

OCF ratio was 0.54 times the finance costs in 2024/25 (2023/24: 2.13 times). This fall was attributed to a reduction in Operating Surplus (i.e. Surplus before depreciation and finance costs) as a result of an increase in operating costs.

3. Liquidity Ratio

As at 30 June 2025, liquidity ratio fell to 0.05 times (2023/24: 0.14 times) due to an increase in the Authority's cash outflows and current liabilities**.**

4. Gearing Ratio

The gearing ratio (long-term loan to equity) fell slightly to 13% (2023/24: 14%).

SUMMARY OF FINANCIAL MATTERS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

1.0 REVENUE ACCOUNT

1.1 Financial Results

A summary of CWA's 10-Year Financial Results is provided hereunder:

ITEM	2024/25	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17 (18 months)	2015
	Rs M									
Income	2,807	2,720	2,146	1,937	3,011	1,808	2,078	1,843	2,535	1,781
Expenditure	(3,562)	(3,045)	(2,726)	(2,411)	(2,137)	(2,142)	(2,104)	(2,302)	(2,425)	(1,629)
Surplus/ (Deficit)	(755)	(325)	(580)	(474)	874	(334)	(26)	(459)	110	152

1.2 Analysis of Income and Expenditure

i.Potable and Irrigation Water Supply Services

Income

Total income from Potable and Irrigation Water Supply Services represents **45.2%** (Year 2023/24: 51.6%) of total expenditure.

Finance Costs and Depreciation

Finance costs and depreciation represent **25.4%** (Year 2023/24: 28.7%) of total expenditure.

Depreciation and amortisation provisions made in the Accounts amount to **Rs 627M** (Year 2023/24: Rs 617M).

Deficit for the Year

The deficit for the year is **Rs 755M** representing **26.9%** of total income (Year 2023/24: 11.9%).

Cash Generated from Operating Activities

Cash generated from operating activities amounts to **Rs 0.96 Bn** (Year 2023/24: Rs 1.02 Bn).

ii.Potable Water Supply Service

Percentage Revenue Collectible

The percentage revenue collectible from each category of consumers falling in this service is as follows:

Category of Consumers	2024/25	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17 (18 months)	2015
	Percentage of total revenue collectible									
Domestic	53	53	53	55	56	53	52	53	53	53
Non-Domestic	40	39	39	37	36	39	40	39	39	39
Government	7	8	8	8	8	8	8	8	8	8

Income

Potable Water Sales have contributed a sum of **Rs 1.58 Bn** (Year 2023/24: Rs 1.54 Bn) of the overall revenue which represented **56.2%** (Year 2023/24: 56.5%) of total operating income.

iii. Irrigation Water Supply Service

Irrigation Water Sales have contributed a sum of **Rs 34.0M** (Year 2023/24: Rs 34.2M) of the overall revenue which represented **1.2%** (Year 2023/24: 1.3%) of total operating income.

2.0 CAPITAL ACCOUNT

2.1 Net Cash Outflow from Investing Activities

Net Cash Outflow from Investing Activities for the Financial Year ended 30 June 2025 amounted to **Rs 1.37 Bn** (Year 2023/24: Rs 1.35 Bn).

2.2 Additions to Non-Current Assets

Assets capitalised during the year amounted to **Rs 1.46 Bn** (Year 2023/24: Rs 1.67 Bn).

2.3 Assets Under Construction

Assets Under Construction as at 30 June 2025 amounted to **Rs 698M** (Year 2023/24: Rs 609M).

3.0 FINANCIAL TARGETS

3.1 General

Most of the Loan Agreements provide that the Authority shall generate sufficient revenue to cover:

i. operating expenses;
ii. depreciation;
iii. interests on borrowings and repayment of long-term indebtedness to the extent that it does not exceed the depreciation provisions; and
iv. a surplus for financing a reasonable portion of future expansion.

3.2 International Bank for Reconstruction and Development (IBRD) Requirements

i. Assets to be revalued from time to time in accordance with sound and consistently maintained method of valuation satisfactory to the Bank;
ii. The Authority to bill domestic consumers on actual consumption;
iii. Arrears collectible not to exceed 3 months' average bills;
iv. An annual debt service coverage of not less than 1.5 times.

3.3 Ex-Management Audit Bureau (MAB) (Now, Office of Public Sector Governance) Requirements

The MAB recommended in 1992 that the Authority should endeavour to achieve the following targets:

i. an operating ratio of 0.75 to 0.80;
ii. a rate of return of not less than the minimum rate of interest on its loans which is 1.85%;
iii. a current ratio of 1.25 and a liquidity ratio of 1.00;
iv. an annual debt service coverage of 1.50 - 2.00;
v. a debt/net assets ratio of less than 0.50 and a debt/equity ratio below 1.0;
vi. an average collection period of 2 months and a receivable turnover of 6.00.

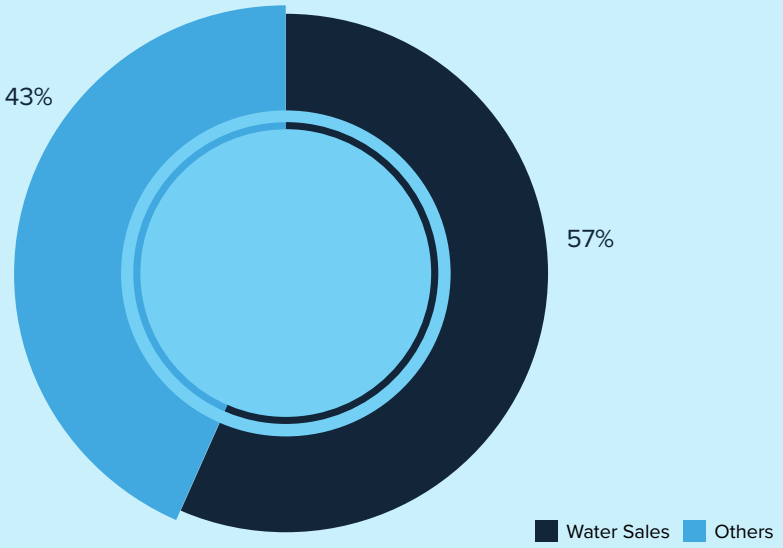
3.4 European Investment Bank (EIB) Requirements

As per a former Loan Agreement with EIB, the Authority had to maintain an *Operating Cash Flow* which is not less than 1.5 times its financial costs.

4.0 THE WATER INCOME RUPEE

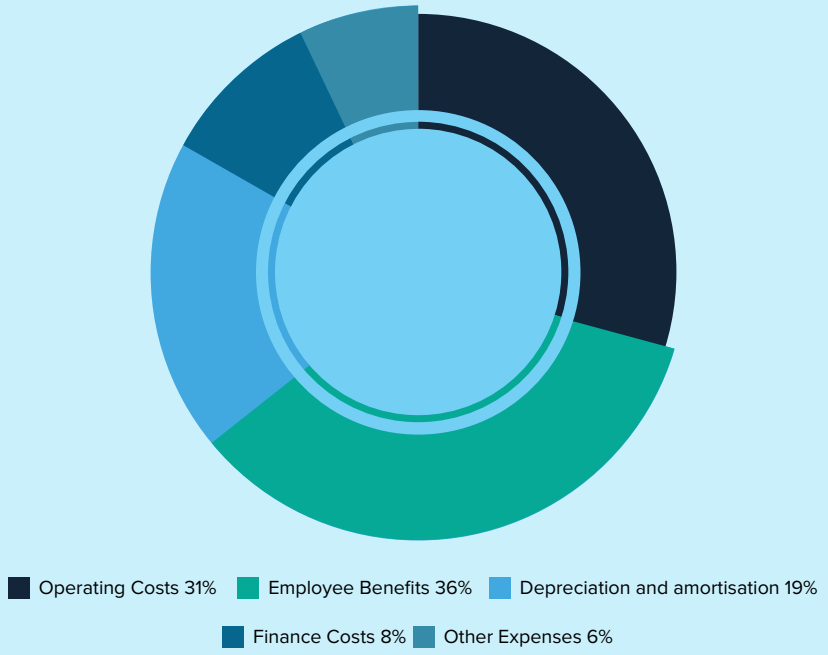
The water income rupee was earned as follows:

Total Income 2024/25

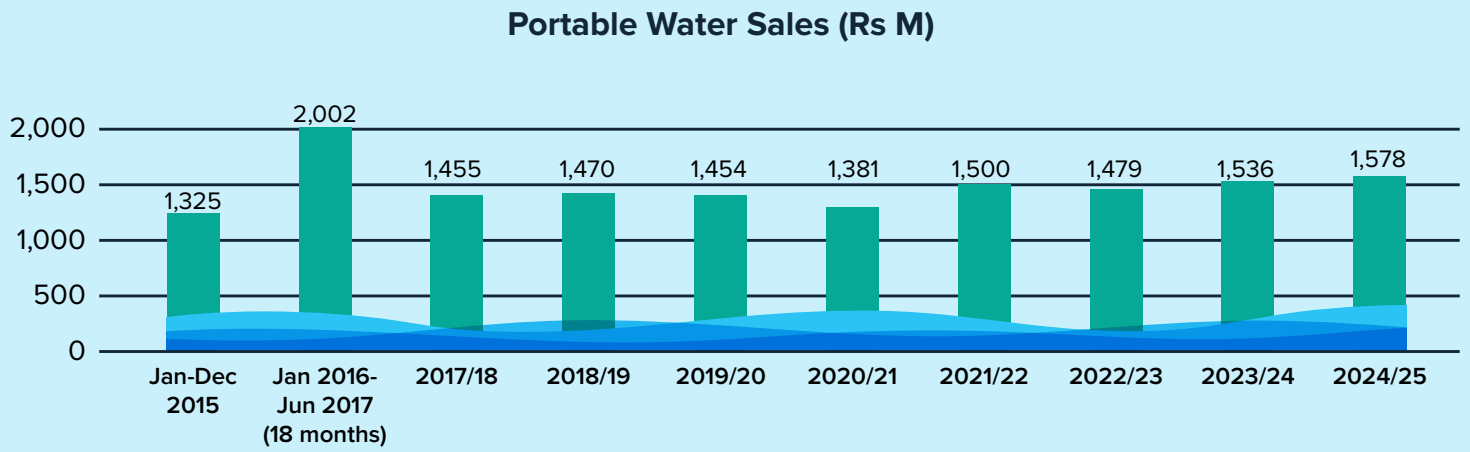


The water income rupee was spent as follows:

Total Expenditure 2024/25



5.0 TEN-YEAR TREND ANALYSIS OF REVENUE



6.0 PERFORMANCE INDICATORS

6.1 Key Ratios

6.1.1 Statement of Financial Position

YEAR	Jul 24-Jun 25	Jul 23-Jun 24	Jul 22-Jun 23	Jul 21-Jun 22	Jul 20-Jun 21	Jul 19-Jun 20	Jul 18-Jun 19	Jul 17-Jun 18	Jan 16-Jun 17	Jan 15-Dec 15
Current Ratio	**0.17**	0.29	0.24	0.35	0.40	0.40	0.44	0.65	0.40	0.34
Liquidity Ratio	**0.05**	0.14	0.05	0.12	0.16	0.23	0.34	0.44	(0.01)	0.04
Gearing ratio	**0.13**	0.14	0.16	0.17	0.17	0.20	0.19	0.16	0.22	0.18
Debt/Equity Ratio	**0.41**	0.38	0.38	0.35	0.33	0.42	0.37	3.66	6.17	5.13
Average Collection Period	**137 days**	127 days	124 days	119 days	118 days	103 days	97 days	2.19 mth	1.50 mth	2.08 mth
Receivable Turnover	**2.7**	2.9	2.9	3.1	3.1	3.5	3.8	5.76	8.00	5.76

6.1.2 Statement of Financial Performance

YEAR	Jul 24-Jun 25	Jul 23-Jun 24	Jul 22-Jun 23	Jul 21-Jun 22	Jul 20-Jun 21	Jul 19-Jun 20	Jul 18-Jun 19	Jul 17-Jun 18	Jan 16-Jun 17	Jan 15-Dec 15
Rate of Return (%)	**(0.026)**	(0.004)	(0.02)	(0.02)	0.06	(0.01)	0.01	(0.03)	2.00	2.00
Operating Ratio	**1.36**	1.15	1.04	0.96	0.9	0.84	0.82	1.18	0.90	0.86
Debt Servicing Ratio	**0.08**	0.08	0.07	0.05	0.05	0.09	0.07	0.05	0.06	0.06
Financing Ratio	**(1.71)**	(0.26)	(1.98)	(3.36)	(1.1)	(0.9)	0.83	(2.67)	1.71	2.50

6.1.3 Cash Flow Statement

YEAR	Jul 24-Jun 25	Jul 23-Jun 24	Jul 22-Jun 23	Jul 21-Jun 22	Jul 20-Jun 21	Jul 19-Jun 20	Jul 18-Jun 19	Jul 17-Jun 18	Jan 16-Jun 17	Jan 15-Dec 15
Operating Cash Flow Ratio	**0.54**	2.13	1.02	2.05	4.36	2.09	4.46	4.27	3.07	5.64

6.2 RATIO DEFINITIONS

1. The **Current ratio** gauges the ability of the Authority to meet its short term financial obligations.

$$\textit{Current ratio:} \quad \frac{\textit{Current Assets}}{\textit{Current Liabilities}}$$

2. The **Liquidity ratio** (Acid Test ratio) denotes the ability of the Authority to meet its immediate financial obligations.

$$\textit{Liquidity ratio:} \quad \frac{\textit{Bank deposits and Cash \& Bank balances}}{\textit{Current Liabilities}}$$

3. **Gearing ratio** indicates the financial dependability of the Authority on its long-term loans.

$$\textit{Gearing ratio:} \quad \frac{\textit{Long-Term Loans}}{\textit{Total Assets - Current Liabilities}}$$

4. **Debt/Equity ratio** indicates the Authority's burden of debt in relation to its equity.

$$\textit{Debt/Equity ratio:} \quad \frac{\textit{Short-term + Long-term Loans}}{\textit{Equity Capital + Reserves}}$$

Note: *Calculated as per the following formula in previous years:* $\frac{\textit{Total Liabilities}}{\textit{Equity Capital}}$

5. **Average collection period** indicates the time taken by the Authority to collect its debts on water sales.

$$\textbf{\textit{Average collection period:}}\ \frac{\textit{Average Gross Debtors x 12 months or 365 days}}{\textit{Water Sales}}$$

6. **Receivable turnover** measures the Authority's effectiveness in collecting its debts from customers, i.e. the number of times it collects its average accounts receivable balance per year.

$$\textbf{\textit{Receivable Turnover:}}\ \frac{\textit{Water Sales}}{\textit{Average Gross Debtors}}$$

7. The **Rate of return** indicates the financial return generated from the assets employed by the Authority.

$$\textbf{\textit{Rate of return:}}\ \frac{\textit{Surplus/(Deficit) before interest}}{\textit{Rate base}}$$

8. The **Operating ratio** gauges the ability of the Authority to finance its Operating Expenses from its Operating Revenue.

$$\textbf{\textit{Operating ratio:}}\ \frac{\textit{Total expenditure before interest and depreciation}}{\textit{Operating income}}$$

9. The **Debt servicing ratio** gauges how large a burden interests are as part of the total operational expenses.

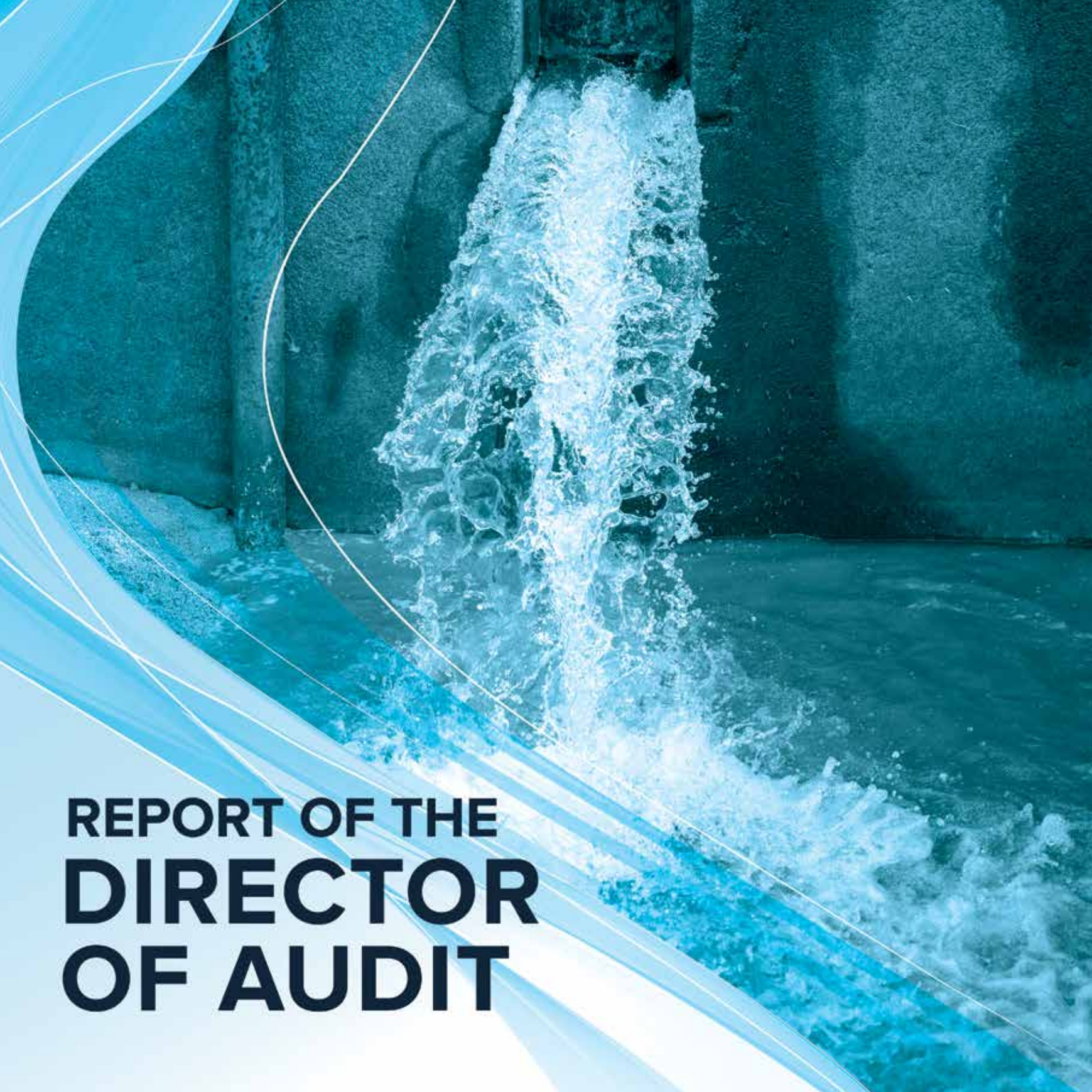
$$\textbf{\textit{Debt servicing ratio:}}\ \frac{\textit{Interest charged to operations}}{\textit{Total expenditure including interest}}$$

10. The F**inancing ratio** gauges the ability of the Authority to meet its total interest commitments.

$$\textbf{\textit{Financing ratio:}}\ \frac{\textit{Surplus/(Deficit) before interest}}{\textit{Total interest}}$$

11. The **Operating Cash Flow ratio** indicates the ability of the authority to meet its loans repayment and interest on loans from operations.

$$\textbf{\textit{Operating cash flow ratio:}}\ \frac{\textit{Surplus before depreciation and financial costs}}{\textit{Financial Costs}}$$



REPORT OF THE DIRECTOR OF AUDIT

REPORT OF THE
DIRECTOR OF AUDIT

On the Financial Statements
of the Central Water Authority
for the financial year ended 30 June 2025

NATIONAL AUDIT OFFICE

REPUBLIC OF MAURITIUS

NATIONAL AUDIT OFFICE

REPORT ON THE DIRECTOR OF AUDIT TO THE CENTRAL WATER BOARD

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of the Central Water Authority, which comprise the statement of financial position as at 30 June 2025 and the statement of financial performance, statement of changes in net assets/equity, cash flow statement, and statement of comparison of annual estimates and actual amounts for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the Central Water Authority as at 30 June 2025, and of its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Basis for Opinion

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

Emphasis of Matter

I draw attention to:

a. Note 3.2 to the financial statements, which states that the Central Water Authority had a bank overdraft of Rs 266,729,726 as at 30 June 2025, compared to Rs 149,587,413 as at 30 June 2024.

b. The statement of financial position, which shows an increase in Borrowings from Rs 3,432,041,729 as at 30 June 2024 to Rs 3,461,492,500 as at 30 June 2025 accounted under Current and Non-current Liabilities.

c. The statement of financial performance, which shows a substantial increase in deficit from Rs 324,712,382 as at 30 June 2024 to Rs 754,775,005 as at 30 June 2025.

My opinion is not modified in respect of these matters.

Key Audit Matters

Key Audit Matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. I have determined that there are no key audit matters to communicate in my report.

Other Matter

Financial Sustainability

The Authority has been facing severe liquidity constraints and increasing reliance on short-term borrowings. Borrowings of Rs 3.5 billion, ongoing overdraft facilities of Rs 350 million, unpaid remittances for sales of groundwater to the tune of Rs 172 million, and unsettled electricity bills for the sum of Rs 178 million were among the growing concerns of the Authority's financial situation.

My opinion is not modified in respect of this matter.

Other Information

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

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

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

Report on Other Legal and Regulatory Requirements

Qualified Opinion

Statutory Bodies (Accounts and Audit) Act

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

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

a. this Act, in so far as it relates to the accounts, has been complied with. No direction relating to the accounts has been issued by the responsible Minister to the Central Water Authority;

b. in my opinion, and, as far as could be ascertained from my examination of the financial statements submitted to me, expenditure incurred were not of an extravagant or wasteful nature, judged by normal commercial practice and prudence; and

c. in my opinion, except for the matters reported in my Basis for Qualified Opinion paragraph below, the Central Water Authority has been applying its resources and carrying out its operations economically, efficiently and effectively.

Public Procurement Act

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

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

Financial Reporting Act

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

Basis for Qualified Opinion

Resources not applied and operations not carried out economically, efficiently and effectively

Non-Revenue Water

In 2025, the Authority produced some 332.6 million m^3 of water, of which 132.1 million m^3 were used for consumption, while the remaining 200.5 million m^3 were lost, representing 60 per cent. No improvement in the volume of non-revenue water was noted from 2024 to 2025 even though the Authority had invested some Rs 2 billion in pipe replacement programmes as of 30 June 2025.

Pipe replacement contracts awarded to small and medium entities above project value

The Authority awarded contracts up to Rs 1.743 billion, which largely exceeded the approved project value of Rs 1.199 billion. Included were 16 contracts, totalling some Rs 148.8 million for which letters of acceptance were already issued between 29 January 2024 to 18 September 2024, but orders to commence work were not issued.

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

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

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

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

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

Management's Responsibilities for Compliance

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Central Water Authority's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Central Water Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Central Water Authority to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Auditor's Responsibilities on Other Legal and Regulatory Requirements

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

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

b. the Statutory Bodies (Accounts and Audit) Act and any directions of the Minister, in so far as they relate to the accounts, have been complied with;

c. in my opinion, and, as far as could be ascertained from my examination of the financial statements submitted to me, any expenditure incurred is of an extravagant or wasteful nature, judged by normal commercial practice and prudence;

d. in my opinion, the Central Water Authority has applied its resources and carried out its operations economically, efficiently and effectively;

e. the provisions of Part V of the Public Procurement Act regarding the bidding process have been complied with; and

f. the Central Water Authority has complied with the National Code of Corporate Governance in accordance with the Financial Reporting Act.

DR D.PALIGADU
Director of Audit

National Audit Office
14th Floor,
Air Mauritius Centre
PORT LOUIS

30 April 2026

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

Particulars	Notes	2025	Restated 2024
Assets			
Current assets			
Cash and cash equivalents	3.1	333,543,947	626,747,584
Receivables from exchange transactions	4	393,200,374	436,849,542
Receivables from non-exchange transactions	5	13,656,356	-
Other receivables from exchange transactions	6	12,467,165	9,393,636
Loans and advances	7	6,981,212	6,632,919
Inventories	8	177,179,319	112,775,404
Prepayments	9	31,578,743	43,711,978
Other current assets	10	101,897,003	77,630,506
Total current assets		**1,070,504,119**	**1,313,741,569**
Non-current assets			
Loans and advances	7	17,144,858	21,010,092
Prepayments	9	269,175	272,054
Property, plant and equipment	11	17,814,365,951	16,969,053,907
Rights-of-use asset	12.1	37,040,808	43,145,702
Assets under construction	13	697,965,467	609,348,033
Intangible assets	14	23,223,400	17,388,080
Total non-current assets		**18,590,009,659**	**17,660,217,868**
Total assets		**19,660,513,778**	**18,973,959,437**
Liabilities			
Current liabilities			
Payables under exchange transactions	15	3,265,188,277	2,101,041,658
Bank overdraft	3.2	266,729,726	149,587,413
Deposits	16	121,544	118,372
Borrowings	17	1,751,182,980	1,442,380,295
Employee benefits obligations	18	39,328,731	42,426,847
Provisions	19	68,563,958	-
Lease liabilities	12.2	6,295,553	5,959,397
Other current liabilities	20	899,440,126	850,288,575
Total current liabilities		**6,296,850,895**	**4,591,802,557**

Non-current liabilities			
Deposits	16	121,422,499	118,253,555
Borrowings	17	1,710,309,520	1,989,661,434
Employee benefits obligations	18	3,042,162,374	3,186,069,005
Lease liabilities	12.2	30,967,784	37,263,336
Total non-current liabilities		**4,904,862,177**	**5,331,247,330**
Total liabilities		**11,201,713,072**	**9,923,049,887**
Net assets		**8,458,800,706**	**9,050,909,550**
Net assets/equity			
Contributed capital	21	2,615,450,607	2,615,450,607
Accumulated surplus	21	1,071,548,960	1,663,657,804
Revaluation reserve	21	4,771,801,139	4,771,801,139
Total net assets/equity		**8,458,800,706**	**9,050,909,550**

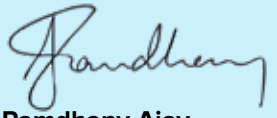
The accompanying notes form an integral part of the Financial Statements.

The Financial Statements were authorised for issue by the Central Water Board on 30 April 2026 and signed on its behalf by:

Signature:

Name: **Mr. Peetumber Maneswar**

CHAIRMAN

Signature: 

Name: **Mr. Ramdhany Ajay**

BOARD MEMBER

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2025

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

Particulars	Notes	2025	Restated 2023
Revenue from exchange transactions			
Revenue from water sales	22	1,611,466,590	1,570,199,488
Other revenue	23	339,133,022	309,169,671
		1,950,599,612	1,879,369,159
Revenue from non-exchange transactions			
Grants	24	856,737,385	840,701,979
Total revenue		**2,807,336,997**	**2,720,071,138**
Expenses			
Operating costs	25	1,142,471,764	946,883,795
Employee benefits	26	1,212,784,799	1,067,393,112
Depreciation and amortisation	27	627,450,271	617,121,593
Finance costs	28	278,496,730	257,959,920
Other expenses	29	300,908,438	155,425,100
Total expenses		**3,562,112,002**	**3,044,783,520**
Deficit for reporting period		**(754,775,005)**	**(324,712,382)**

STATEMENT OF CHANGES IN NET ASSETS/EQUITY

FOR THE YEAR ENDED 30 JUNE 2025

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

Particulars	Contributed Capital	Accumulated Surplus	Revaluation Reserve	Total
Balance as at 01 July 2023 (as previously reported)	**1,915,450,607**	**7,042,803,432**	**-**	**8,958,254,039**
Adjustments by way of presentation:				
Transfer of net revaluation surplus from accumulated surplus (reinstatement of revaluation reserve)		(4,771,801,139)	4,771,801,139	-
Restated opening balance 01 July 2023	**1,915,450,607**	**2,271,002,293**	**4,771,801,139**	**8,958,254,039**
Capital contribution	700,000,000			700,000,000
Prior year adjustments (as restated)		(16,457,997)		(16,457,997)
Deficit for the year (as restated)		(324,712,382)		(324,712,382)
Remeasurement loss on defined benefit obligations		(266,174,110)		(266,174,110)
Balance as at 30 June 2024 (as restated)	**2,615,450,607**	**1,663,657,804**	**4,771,801,139**	**9,050,909,550**
Balance as at 01 July 2024 (as restated)	**2,615,450,607**	**1,663,657,804**	**4,771,801,139**	**9,050,909,550**
Deficit for the reporting period		(754,775,005)		(754,775,005)
Remeasurement gain on defined benefit obligations		162,666,161		162,666,161
Balance as at 30 June 2025	**2,615,450,607**	**1,071,548,960**	**4,771,801,139**	**8,458,800,706**

Note: Revaluation Reserve

During the year, the Authority reinstated the revaluation surplus arising from the asset revaluation undertaken in 2017/18, which had previously been presented within accumulated surplus. The reinstatement represents a reclassification within equity to comply with *IPSAS 1 - Presentation of Financial Statements* and has no impact on the reported results or total net assets of the Authority.

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2025

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

Particulars	2025	Restated 2024
Cash flow from operating activities:		
Deficit for the reporting period	**(754,775,005)**	**(324,712,382))**
Adjustment for:		
Depreciation and amortization of property, plant and equipment and intangible assets	627,450,271	617,121,593
Interest income	(810,451)	(1,044,256)
Grants released to revenue	(856,737,385)	(840,701,979)
Financial contribution from consumers	(164,177,493)	(137,301,673)
Net increase in provision for impairment towards receivables	45,330,557	19,912,723
Finance costs	278,496,730	257,959,920
Loss on disposal of property, plant and equipment	1,921,764	260,865
Decrease in allowance for surcharge receivable	5,763,379	-
Donation (vehicle donated to Rodrigues Regional Assembly)	3,072,950	-
Increase/(decrease) in provision for slow-moving stock	(21,042)	16,849,423
	(814,485,725)	**(391,655,766)**
Movements in working capital		
Increase in receivables	(2,527,330)	(51,596,829)
Increase in inventories	(64,403,916)	(35,800,665)
Increase in other assets	(13,170,795)	(14,790,651)
Increase in payables	701,794,945	192,976,109
Increase in other current liabilities	1 ,138,630,387	1,306,776,168
Increase in consumer deposits	3,172,116	3,240,610
Increase in provisions for employee benefits	15,661,414	11,089,732
Net cash flows from operating activities	**964,671,095**	**1,020,238,709**
Cash flow from investing activities:		
Payments for property, plant and equipment, assets under construction and intangible assets	(516,136,054)	(412,340,119)
Proceeds from disposal of non-current assets	3,066,600	-
Payments for property, plant and equipment and assets under construction out of capital grants	(862,370,268)	(942,482,098)
Interest received	810,451	1,043,238
Net cash flows from investing activities	**(1,374,629,271)**	**(1,353,778,979)**

Particulars	2025	Restated 2024
Cash flow from financing activities:		
Proceeds from borrowings	17,582,014	28,471,615
Repayment of interest-bearing lease	(5,959,397)	(4,259,779)
Government equity received	-	700,000,000
Finance costs paid	(12,010,391)	(9,469,249)
Net cash flows from financing activities	**(387,774)**	**714,742,587**
Net increase/(decrease) in cash and cash equivalents	(410,345,949)	381,202,315
Foreign exchange adjustment	-	-
Cash and cash equivalents at beginning of period	477,160,170	95,957,855
Cash and cash equivalents at end of period	**66,814,221**	**477,160,170**

Note: Figures in brackets represent outflows.

STATEMENT OF COMPARISON OF ANNUAL ESTIMATES AND ACTUAL AMOUNTS

FOR THE YEAR ENDED 30 JUNE 2025

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

Particulars	Original Estimates 2024-25	Actual Amount 2024-25	Revised Estimates 2024-25	Actual amounts on comparable basis	Variance for actual vs revised budget
Receipts					
Revenue from exchange transactions	2,214,900,000	1,950,599,612	2,130,000,000	1,997,636,756	(132,363,244)
Payments					
Operating costs	(1,011,353,000)	(1,142,471,764)	(849,780,000)	(1,084,840,680)	(235,060,680)
Employee benefits	(1,343,839,000)	(1,212,784,799)	(1,206,365,000)	(1,196,995,697)	9,369,303
Depreciation and amortisation expenses	-	(627,450,271)	-	-	-
Finance costs	(14,188,000)	(278,496,730)	(16,525,000)	(17,969,788)	(1,444,788)
Other expenses	(115,520,000)	(300,908,438)	(99,330,000)	(176,254,180)	(76,924,180)
Net operating receipts	**(270,000,000)**	**(1,611,512,390)**	**(42,000,000)**	**(478,423,589)**	**(436,423,589)**
Revenue from non-exchange transactions	2,342,000,000	856,737,385	2,209,000,000	883,124,398	(1,325,875,602)
Capital expenditure	(2,985,000,000)	(2,600,079,512)	(2,353,000,000)	(868,409,158)	1,484,590,842
Net capital receipts/ (payments)	**(643,000,000)**	**(1,743,342,127)**	**(144,000,000)**	**14,715,240**	**158,715,240**
Net payments	**(913,000,000)**	**(3,354,854,517)**	**(186,000,000)**	**(463,708,349)**	**(277,708,349)**

Notes:

i. Approval of Estimates

The original budget for the financial year 2024-25 was approved by the Minister of Energy and Public Utilities on 01 April 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with revenue and expenditure trends, changing environment, approved reallocations, project status and other such factors. Changes in respect of capital expenditure budget were mainly due to project implementation delays and project reprioritisation. The revisions or additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the entity recorded additional appropriations on the 2024-25 budget following the governing body's approval of 30 July 2025.

STATEMENT OF COMPARISON OF ANNUAL ESTIMATES AND ACTUAL AMOUNTS
FOR THE YEAR ENDED 30 JUNE 2025
All amounts are in Mauritian Rupees (Rs) unless otherwise stated

ii.Budget variance of major items has been explained below:

Particulars	Variance
a) Revenue from exchange transactions Actual receipts were lower than budget mainly because increases in revenue from water sales following replacement of pipes were lesser than expected. Also, the budgeted figure included debt collection of long-outstanding water bill arrears which is not considered as revenue but as receipt for cash flow and budget purposes.	**(132,363,244)**
b) Operating costs The increase in Operating Costs is explained mainly by increases in Repairs and Maintenance Costs, Electricity and Security Costs. It is to be noted as well that Operating Costs also comprise Water Consumption which is a non-budgeted item but exclude Stock Replenishment of Meters as same is capitalised in the Financial Statements.	**(235,060,680)**
c) Employee benefits The underspent amount in Employee Benefits Cost is mainly due non-filling of a few posts as at reporting date, offset by an increase in overtime costs and allowances, including payment of an exceptional 14th month bonus in December 2024.	**9,369,303**
d) Depreciation and amortisation expenses Non-cash items such as Depreciation and Amortisation are excluded from the Budget.	**-**
e) Finance costs The increase in Finance Costs is due to an increase in interest on bank overdraft actually paid compared to budget.	**(1,444,788)**
f) Other expenses An increase of 46% in Other Expenses compared to Budget was mainly due to an increase in Transport Costs.	**(76,924,180)**
g) Revenue from non-exchange transactions Actual receipts were lower than budgeted due to delays in project implementation, leading to a fall in Government funding both in terms of loan and grant as compared to Budget.	**(1,325,875,602)**
h) Capital expenditure Variances between additions to property, plant and equipment as per the financial statements and capital expenditure estimates arise principally because of delays in actual implementation of projects.	**1,484,590,842**

STATEMENT OF COMPARISON OF ANNUAL ESTIMATES AND ACTUAL AMOUNTS
FOR THE YEAR ENDED 30 JUNE 2025
All amounts are in Mauritian Rupees (Rs) unless otherwise stated

iii. The budget amounts and the financial statement amounts are prepared on a different basis. The statement of comparison of budget and actual amounts above is prepared on the same basis as the budget. A reconciliation of amounts as per the above statement and the actual amounts in the cash flow statement for the year ended 30 June 2025 is presented below:

Net receipts	Operating Activities	Investing Activities	Financing Activities	Total
Actual amount on comparable basis as presented in the statement of comparison	405,088,583	(868,409,158)	(387,774)	**(463,708,349)**
Basis differences	481,953,616	(506,220,113)	-	**(24,266,497)**
Timing differences	-	-	-	**-**
Entity differences	77,628,897	-	-	**77,628,897**
Actual amount in the cash flow statement	**964,671,096**	**(1,374,629,271)**	**(387,774)**	**(410,345,949)**

iv. The differences in the reconciliation above can be categorised into:

a. Basis difference which can be explained as follows:

- **For operating activities:** the budget does not take into account VAT elements in transactions while appropriate VAT element is considered in the financial statements;
- **For investing activities:** the movement of other current assets (excluding VAT elements), sundry payables and accrued expenditure which are considered as a part of capital expenditure in the budget but shown under operating activities in the cash flow statement. Also, interest revenue and disposal proceeds which are considered in the cash flow statement as a part of investing activities are not considered as a part of capital expenditure under budget.

b. Entity difference which can be explained as follows:

The budget is prepared solely for the Authority's operations, whilst the financial statements consolidate all receivables and payables including wastewater and ground water collections made on behalf of other entities and their subsequent remittance.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Reporting

i. General Information of Reporting Entity

The Central Water Authority (CWA or the Authority) is a parastatal body wholly owned by the Government of Mauritius which operates under the aegis of the Ministry of Energy and Public Utilities and is regulated by the CWA Act No. 20 of 1971. The Authority's principal place of business is Royal Road, St. Paul, Mauritius.

The Authority is administered by the Central Water Board and is engaged in the supply of potable water after the treatment for domestic, irrigation, commercial and industrial usage throughout Mauritius.

ii. Reporting Period

The financial statements prepared for the Central Water Authority are for the year ended 30 June 2025.

iii. Reporting Currency

The financial statements have been prepared and presented in Mauritian Rupees (MUR), which is the functional and reporting currency of the Authority. All amounts in these financial statements have been rounded to the nearest rupee.

iv. Basis of Preparation

A. Estimates

The Approved/Revised Estimates (Budget) figures included in these financial statements for the Central Water Authority cover the financial period from 1 July 2024 to 30 June 2025.

The entity's budget is prepared on a different basis from the financial statements. The budget is prepared on a cash basis, except for carry over of capital expenditure which is appropriated on an accrual basis.

The statement of financial position and statement of financial performance are prepared on an accrual basis.

The amounts in these statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A statement of comparison of annual estimates and actual amounts is then presented, prepared on the same basis to the approved budget.

B. Financial Statements

The financial statements have been prepared on historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period, as set out in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in the exchange of goods and services.

The financial statements are prepared on an accrual basis using the going-concern principle and a classification based on nature of expenses in the statement of financial performance.

Where necessary and where practicable, comparative figures have been amended to conform to changes in presentation, or in accounting policies in the current year.

The accounting policies have been applied consistently throughout the year.

The cash flow statement is prepared using the indirect method.

v. *Statement of Compliance*

The financial statements have been prepared under accrual basis International Public Sector Accounting Standards (IPSAS) and are in accordance with Section 6A (3) (a) *the Statutory Bodies (Accounts and Audit)* Act, as subsequently amended.

The Authority's financial statements for the year ended 30 June 2025 include the following:

a. Statement of financial position;
b. Statement of financial performance;
c. Statement of changes in net assets/equity;
d. Cash flow statement;
e. Statement of comparison of annual estimates and actual amounts; and
f. Related notes and the disclosure of narrative information about material adjustments.

1.2 Foreign Currencies

Transactions in foreign currencies are initially recorded in Mauritian Rupees (MUR) at the rate of exchange ruling at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the statement of financial performance.

At the reporting date, monetary assets and liabilities which are denominated in foreign currencies are translated into MUR at the closing rate of exchange ruling at year-end. Exchange gains and losses are dealt with through the statement of financial performance.

The Authority did not have any non-monetary assets or liabilities denominated in foreign currencies during the reporting period.

1.3 Cash and Cash Equivalents

Cash and cash equivalents comprise of petty cash and cash at bank.

For the purposes of the cash flow statement, cash and cash equivalents are as defined above, net of bank overdraft. In the statement of financial position, bank overdraft is shown under current liabilities.

1.4 Financial Instruments

a. Financial assets

i. Initial recognition and measurement

Within the scope of *IPSAS 41, Financial Instruments*, financial assets are initially recognised as at fair value through surplus or deficit.

The Authority determines the classification of its financial assets at initial recognition.

ii. Subsequent measurement

Subsequent to initial recognition, financial assets are measured at amortised cost using the effective interest method, less any impairment loss.

iii. Effective interest method

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

iv. Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each 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 have been impacted.

For certain categories of financial asset, such as trade receivables, 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 Authority's past experience of collecting payment, an increase in the number of delayed payments in the portfolio past three (3) years, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets that are carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of the 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 with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account.

When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against that allowance account. Changes in the carrying amount of the allowance account are recognised in the statement of financial performance.

v. Derecognition of financial assets

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

vi. Financial assets measured at amortised cost

Financial assets of the Authority measured at amortised cost includes the following:

- Receivables from exchange transactions
- Receivables from non-exchange transactions
- Loans and advances (e.g. car loan)
- Other receivables which are non-derivative financial assets with fixed or determinable payments and fixed maturity that the entity has the positive intention to hold to maturity (e.g. fixed deposits classified as held-to-maturity investments).

After initial recognition at fair value, such financial assets are subsequently measured at amortised cost using the effective interest method, less any impairment loss. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

A provision for impairment of receivables is established when there is objective evidence that the Authority will not be able to collect all or part of the amounts due according to the terms of receivables. Losses arising from impairment are recognised in the loans and receivables and statement of financial performance.

b. Financial liabilities

i. Initial recognition and measurement

Within the scope of *IPSAS 41, Financial Instruments*, financial liabilities are initially recognised as at fair value through surplus or deficit.

The Authority determines the classification of its financial liabilities at initial recognition.

ii. Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification.

iii. Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of financial performance.

iv. Financial liabilities measured at amortised cost

The Authority's financial liabilities include borrowings, deposits and trade and other payables.
After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the statement of financial performance when the liabilities are derecognised as well as through the amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

Interest-bearing borrowings that are expected to be settled within 12 months after the reporting date are classified as current liabilities.

Short-term trade and other payables are initially recognised at their carrying amount, except in cases where the impact of discount is material.

Long-term payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

c. Offsetting a financial asset and a financial liability

A financial asset and a financial liability are offset and the net amount presented in the statement of financial position when, and only when, 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 realise the asset and settle the liability simultaneously.

1.5 Inventories

Inventories are initially measured at the lower of cost and net realisable value, except items acquired through non-exchange transactions which are instead measured at fair value as their deemed cost at initial recognition.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to the present location and condition. The cost of inventories issued to and returned from maintenance and projects is determined through the weighted average cost (AVCO) formula.

Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in selling.

The carrying value of inventories is recognised as an expense in the period in which it is deployed for utilisation or consumption in the ordinary course of operations of the Authority.

In case inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised.

The amount of any write-down of inventories to current replacement cost (due to obsolescence, damage or other reasons) and all losses of inventories are recognised as an expense in the period the write-down or loss occurs.

The Authority has the policy to book a provision for obsolescence in respect of inventories which are slow moving and lying for a period of more than three (3) years.

1.6 Prepayments

Prepayments are recognised as assets when payment for goods or services has been made in advance of obtaining a right to access those goods or services.

1.7 Capitalisation of non-financial assets

a. Property, plant and equipment

i. Initial recognition and measurement

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost less any accumulated depreciation and any accumulated impairment losses.

Where an asset is acquired through a non-exchange transaction for nil or nominal consideration, the asset is measured at its fair value as at the date of acquisition.

Cost includes expenditure that is directly attributable to the acquisition of the asset which includes the following:

- Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates,
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including associated labour and other related costs. Where the labour and related costs specific to a particular project cannot be determined, an apportionment exercise is carried.
- When the Authority has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling, removing the items and restoring the site on which they are located, and
- Capitalised borrowing cost (under the allowed alternative treatment).

ii. Subsequent costs

The cost of an item of propery, plant and equipment may undergo changes subsequent to its acquisition or construction on account of exchange fluctuations, price adjustments, and changes in duties, replacement of a major component of an asset or similar factors.

Subsequent costs are capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Authority and the amounts can be measured reliably.

iii. Measurement after recognition

The CWA opted to use the fair value of property, plant and equipment as its deemed cost on 1 July 2017.

iv. Depreciation

Depreciation is charged so as to write off the cost or valuation of assets (other than land and assets under construction), over their estimated useful lives using the straight-line method as displayed in the table below.

The residual value on assets, where applicable, is either 5%, 10% or 15% of cost.

Class of Assets	No. of years	Residual Values
Water supply facilities	10 – 60	10%
Irrigation facilities	50	5% or 10%
Cars and mobile service equipment	5 – 10	10%
Office, workshop and laboratory equipment	5 – 20	10%
Buildings	50	10%

Depreciation is charged on additions in the year of acquisition on pro-rated basis as from the date when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management. Depreciation of an asset ceases when the asset is derecognised. Depreciation methods, useful lives, and residual values are reviewed periodically and adjusted, if appropriate.

Each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is accounted for as a separate asset and depreciated separately over its useful life.

Land is not depreciated.

v. Derecognition

The carrying amount of an item of property, plant and equipment shall be derecognised:

a. On disposal; or

b. When no future economic benefits or service potential is expected from its use or disposal.

The gain or loss arising from the derecognition of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is included in surplus or deficit when the item is derecognised. Gain or loss on disposal are shown as part of 'other expenses' in the statement of financial performance (gains are not classified as revenue).

b. Assets under construction

Assets in the course of construction are carried out at cost, less any recognised impairment loss. Cost includes borrowing cost for qualifying assets. Qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use.

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds. Borrowing costs are capitalised over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalisation ceases when construction of the asset is complete. Other borrowing costs are charged to the statement of financial performance.

Depreciation of these assets commences when the assets are ready for their intended use and are transferred to property, plant and equipment.

c. Intangible assets

i. Recognition and measurement

The intangible assets of the Authority comprise computer software that is not considered to form an integral part of any hardware equipment. These intangible assets have a finite useful life and are amortised using the straight-line method over their useful lives.

The Authority has no intangible assets with indefinite useful lives.

Intangible assets are initially measured at cost, except for intangible assets acquired through non-exchange transactions (measured at fair value at the date of acquisition) less accumulated amortisation and impairment losses.

The CWA opted to use the fair value of intangible assets as its deemed cost on 1st July 2017.

ii. Research and development costs

Expenditure incurred on the research phase of an internal project is expensed when it is incurred (no intangible asset is recognised)

An intangible asset arising from development (or from the development phase of an internal project) shall be recognised if, and only if, the Authority can demonstrate that all of the following criteria are met: technical feasibility; ability to complete the asset; intention and ability to sell or use; ability of asset to generate probable future economic benefits or service potential, availability of resources to complete development and development expenditure can be reliably measured.

iii. Amortisation

Amortisation of computer software is recognised in the statement of financial performance on a straight-line basis over estimated useful lives of 5-25 years. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

iv. Derecognition

An intangible asset shall be derecognised:

a. On disposal (including disposal through a non-exchange transaction); or

b. When no future economic benefits or service potential is expected from its use or disposal.

The gain or loss arising from the derecognition of an intangible asset (calculated as the difference between the net disposal proceeds, if any, and the carrying amount of the asset) is included in surplus or deficit when the asset is derecognised.

d. Asset capitalisation policy

As part of the entity's normal policy, qualifying assets are capitalised when the value of cost is equal to or exceed the following thresholds, where applicable:

Class of Asset	Rs
Computer hardware	5,000
Computer software and intangible assets (first-time acquisition cost)	5,000
Furniture and fittings	5,000
Mobile service equipment - Pump	5,000
Mobile service equipment (other than air compressor/generator)	5,000
Equipment	5,000
Mechanical tool	10,000
Building improvement	50,000
Building construction / Facility acquisition	No threshold
House connection	No threshold
Infrastructure assets	No threshold
Land acquisition	No threshold
Mobile service equipment - air compressor	No threshold
Mobile service equipment - generator	No threshold
Motor vehicle	No threshold
Office equipment - air conditioner	No threshold

Where no threshold is set, the qualifying asset meets the direct capitalisation criteria.

Where multiples of one asset are purchased at the same time, the individual asset value is used to determine whether each asset is to be capitalised.

Small items of capital nature falling below the asset category threshold value, where applicable, are generally not capitalised but are rather expensed as maintenance in the year of acquisition.

1.8 Impairment of non-financial assets

i. Impairment of cash-generating assets

The recoverable amount of a cash-generating asset or cash-generating unit (CGU) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the assets or cash-generating units (CGU) for which the estimates of future cash flows have not been adjusted.

ii. Impairment of non cash-generating assets

At the end of each reporting period, the Authority reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

Recoverable service amount of a non-cash-generating asset is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows (for cash-generating assets) or future remaining service potential (for non-cash-generating assets) are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the assets.

When the carrying amount of an asset is greater that its estimated recoverable service amount or recoverable amount, it is written down to its recoverable service amount or recoverable amount and an impairment loss is immediately recognised in the statement of financial performance.

Intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

iii. Reversal of impairment

For each asset, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Authority shall estimate the asset's recoverable amount.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount or recoverable service amount so that the increased carrying amount does not exceed the carrying amount that would have determined had no impairment loss have been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the statement of financial performance.

1.9 Provisions

Provisions are recognised when the Authority has a present obligation as a result of past event, and it is probable that the Authority will be required to settle that obligation.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date and are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

The expense relating to any provision is presented in the statement of financial performance, net of any reimbursement.

1.10 Contingent liabilities

The Authority does not recognise a contingent liability, but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

1.11 Contingent assets

The Authority does not recognize a contingent asset since this may result in the recognition of revenue that may never be realised. Details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Authority are disclosed in the notes to the financial statements.

Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognised in the financial statements of the period in which the change occurs. If an inflow of economic benefits or service potential has become probable, the contingent asset is disclosed.

Where an inflow of economic benefits or service potential is probable, the entity discloses a brief description of the nature of the contingent assets at the reporting date, and, where practicable, an estimate of their financial effect.

1.12 Employee benefits

i. Defined benefit pension plan

Provision for retirement pension benefits is made under the Statutory Bodies Pension Funds Act of 1978, as amended. A Defined Benefit Plan is managed by the State Insurance Company of Mauritius (SICOM) Ltd for employees who joined service prior to 2013. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of annual reporting periods. Defined benefit costs are categorised as follows:

- Service cost (including current and past service cost, as well as gains and losses on curtailments and settlements)
- Net interest expense or revenue
- Remeasurement

The retirement benefit obligations recognised in the statement of financial position represent the actual surplus or deficit in the Authority's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refund from the plan or future reductions in contribution in the plan.

Remeasurement, comprising actuarial gains and losses and the return on plan assets, is reflected immediately in the statement of net assets/equity.

Current service cost, past service cost and gain or loss on settlement, net interest on the net defined benefit liability (asset) is recognised in the statement of financial performance.

ii. Defined contribution pension plans

The contributions to the National Pension Scheme, Family Protection Scheme, National Savings Fund, Contribution Sociale Generalisee (CSG) and Portable Retirement Gratuity Fund are charged to the statement of financial performance for the period in which they fall due.

Also, for full time employees who joined service as from 1 January 2013, a Defined Contribution Plan is managed by the SICOM under a separate fund. The contribution rate for this scheme is set at 18% of pensionable salaries (6% Employee Contributions and

12% Employer Contributions). These contributions are expensed in the period the employees render the service and a liability is recognised in respect of amount not paid at the end of the financial year.

iii. Employee entitlements

a. Sick Leaves

Unutilised sick leaves are accumulated by employees to a bank maximum as defined in the PRB Report.

Additionally, in the context of COVID-19 pandemic which impacted negatively on public finance, the monetary value of untaken sick leave for year 2020 will be kept in a separate account and refunded to officers at the time of retirement or resignation from service, based on their last salary drawn.

Unutilised sick leaves are either cashed in full on resignation, on retirement or taken as leave prior to retirement and are recognised as liability in the financial statements.

b. Passage benefits

Passage benefits are provided to eligible employees as part of their contract of employment. It is calculated as a percentage of employee's salaries and are earned during active employment. The amount earned is accrued and the accrual cleared as and when employees take their passage benefit entitlement. They are therefore classified as employee benefits and are measured at their nominal value. The carrying amount is re-measured each year and after taking into account amount paid and earned during the year.

c. Annual leave for officers on contract

Unutilised annual leaves with respect to officers on contract are expensed during the period and amounts unpaid as at the date of reporting are accrued and recognised as a liability.

d. Vacation leave

Provision is made at the end of each reporting date with respect to vacation leaves accruing to the employees. They have the option to cash in full the accumulated vacation leaves in lieu of proceeding on leave prior to their normal retirement as per the provisions of the PRB Report.

e. Car loan

Car loans are disbursed to staff by the Authority on applications made by eligible employees as part of their conditions of service. The loans are executed by way of a registered agreement between the Authority and the employees. The car loans granted to eligible officers bear an interest rate of 3% per annum with effect from January 2021 as per the PRB Report and are repayable monthly over a period of five or seven years, as appropriate. The balances of principal amounts are shown under receivables and considered as financial assets and accordingly recognised.

1.13 Revenue recognition

i. Revenue from exchange transactions

Revenue from exchange transactions is recognised when the outcome of the transactions can be estimated reliably.

Where the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are recoverable.

a. Sale of water

Revenue is made up of sale of potable water. The sale is recognised when:

- a contract exists,
- delivery has been taken place,
- a quantitative price has been established or can be determined, and
- the receivables are likely to be recovered.

Where the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are recoverable.

b. Rendering of services

The Authority recognises revenue from rendering of services (i.e., financial contributions for morcellement and other developments; irrigation, water treatment and distribution services) when:

- a contract exists,
- delivery has been taken place,
- a quantitative price has been established or can be determined, and
- the receivables are likely to be recovered.

Delivery is measured by reference to the measurement based on cyclical meter readings.

Where the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are recoverable.

c. Interest income

Interest revenue is accrued in the statement of financial performance using the effective yield method unless their collectability is not reasonably certain. The effective yield method discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest revenue in each period.

d. Other revenue

Other revenue is recognised in the statement of financial performance as they accrue unless their collectability is not reasonably certain.

ii. Revenue from non-exchange transactions

Non-exchange transactions are those where the Authority receives an inflow of resources (e.g. cash and tangible or intangible items) but provides no (or nominal) direct consideration in return.

Revenue from non-exchange transactions include capital grants and assets received from Government or other parties.

a. Capital grants

The Authority recognises revenue from capital grants when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred revenue is recognised instead of revenue.

b. Debt forgiveness

Revenue is recognised in respect of debt forgiveness when the former debt no longer meets the definition of a liability or satisfies the criteria for recognition as a liability.

Revnue arising from debt forgiveness is measured at the carrying amount of the debt forgiven.

c. Other revenue from non-exchange transactions

Other revenues from non-exchange transactions are recognised when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably.

1.14 Leases

i. CWA as Lessee: Finance Lease

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to an entity.

Assets held under a finance lease are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The entity also recognises the associated lease liability at the inception of the lease. The liability recognised is measured as the present value of the future minimum lease payments at initial recognition.

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of financial performance.

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

The Authority has disclosed assets held under finance lease separately from its owned assets.

ii. CWA as Lessee: Operating Lease

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Authority. Operating lease payments are recognised as an operating expense in the statement of financial performance on a straight-line basis over the lease term. The Authority has entered into operating lease agreements for the rental of land (including parking space), buildings and equipment.

1.15 Expenses

Expenses are recognised in the period to which they relate.

i. Operating costs

These are recognised in the period when goods are received or services are rendered.

ii. Employee benefits

Employee benefits comprise mainly of staff and related costs, including pension payments. These are recorded as an expense in the period the transfer payment is authorised and all eligiblity criteria has been met by the recipient. Employee costs paid after a particular financial year but which were earned during the reporting period are accrued at year-end.

iii. Depreciation and amortisation

Depreciation and amortisation charges are calculated on a systematic basis over the useful life of assets and recognised for each period in the statement of financial performance as an expense.

iv. Finance costs

Finance costs on financial liabilities measured at amortised cost are recognised in the statement of financial performance using the effective interest rate method.

v. Other expenses

Other expenses are recognised in the period when goods are received or services are rendered.

vi. Loss or gain on foreign currency transactions

Realised and unrealised exchange losses or (gains) are recognised in the statement of financial performance as they arise.

1.16 Related parties

CWA regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Authority, or vice versa.

This includes relationship with entities forming part of the Government of Mauritius, key management personnel and their close family members.

Transactions between these related parties and the Authority are disclosed in the financial statements except for transactions that would occur within a normal supplier or client/recipient relationship on terms and conditions no more or less favorable than those which it is reasonable to expect the Authority would have adopted when dealing with that individual or entity at arm's length in the same circumstances.

1.17 Key assumptions and judgements

The preparation of the Authority's financial statements in conformity with IPSAS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

i. Estimates and assumptions

The Authority based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond CWA's control. Such changes are reflected in the assumptions when they occur. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected.

Examples of estimates include: useful lives of tangible and intangible assets, inventory valuation, collectability of receivables.

Examples of assumptions include: discount and inflation rates applied to employee benefits liabilities, provisions for litigation, financial risk on accounts receivable, accrued charges and the degree of impairment of property, plant and equipment.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 30 June 2025 include the following:

a. Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

1. The condition of the asset based on the assessment of experts employed by the Authority;
2. The nature of the asset, its susceptibility and adaptability to changes in technology and processes;
3. The nature of the processes in which the asset is deployed;
4. Availability of funding to replace the asset;
5. Changes in the market in relation to the asset.

b. Provisions

Provisions were raised and management determined an estimate based on the information available. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

c. Employee benefit liabilities

Management is required to measure the defined benefit obligations and annual costs under such plans using assumptions that are long-term in nature and reflect the fund's best estimates such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. The Authority reviews key assumptions on an annual basis with its independent actuaries using relevant experience, in conjunction with market-related data. The key assumptions include the rate of salary increase, the rate of pension increase, the discount rate and the longevity of plan members. The management assumption with the greatest potential impact on the organisation's defined benefit obligation is the discount rate.

ii. Judgements

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements and which could have a significant risk of resulting in a material adjustment are as follows:

a. Contingent liabilities

Contingent liabilities are disclosed for pending legal proceedings when it is determined that an unfavourable outcome is probable and the amount of loss can be reasonably estimated. Owing to the inherently uncertain nature of the matters, the ultimate outcome or actual cost of settlement may materially vary from estimates.

b. Operating lease commitments

The Authority has determined, based on an evaluation of the terms and conditions of lease arrangements, that it does not retain all the significant risks and rewards of ownership of the leased items and accounts for the contracts as operating leases.

1.18 Events after reporting date

The Authority makes adjustment for adjusting events after the reporting date and disclosures are made for significant non-adjusting events after the reporting date.

1.19 Standards issued but not yet effective

IPSAS 3 (Accounting Policies, Changes in Accounting Estimates and Errors) requires disclosure of new IPSASs that have been issued but are not yet effective and which have not yet applied by a reporting entity.

The Authority's financial statements comply in all material aspects with applicable IPSASs. At the date of approval of these financial statements, several new, but not yet effective, Standards, amendments to existing Standards, and Interpretations have been published by the IPSAS Board (IPSASB). These Standards, amendments or Interpretations have not been adopted early by the reporting entity.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement.

Management has not yet had an opportunity to consider the potential impact of the adoption of the following new standards on the financial statements of the Authority in the current or future reporting periods and on foreseeable future transactions.

IPSAS 45 Property, Plant and Equipment - Replacement of certain measurement-related requirements arising from the application of IPSAS 46, including those relating to current operational value and related disclosures (effective for periods beginning on or after *01 January 2028).*

IPSAS 46 Measurement - Introduction of measurement concepts and bases applicable across IPSAS, including current operational value, which underpin consequential amendments to existing standards (certain amendments effective for periods beginning on or after *01 January 2028*).

IPSAS 47 Revenue - Replacement of IPSAS 9, IPSAS 11 and IPSAS 23 to provide a single source of revenue accounting standard for the public sector. An entity will need to first consider whether it has entered into a revenue transaction with or without binding arrangement so as to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from revenue transactions (effective for periods beginning on or after *01 January 2026*).

IPSAS 49 Retirement Benefit Plans - Replacement of IPSAS 39 with enhanced requirements for the recognition, measurement, presentation and disclosure of retirement benefit plans in public sector financial statements (effective for periods beginning on or after*01 January 2026*).

2. PRIOR YEAR ADJUSTMENTS

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

2.1 The comparative amounts as at 30 June 2024 have been restated in accordance with *IPSAS 3 - Accounting Policies, Changes in Accounting Estimates and Errors* , to correct certain misstatements identified during the year ended 30 June 2025. Restatements made are summarised below together with the impact on the financial statements:

		30 June 2024		
	Note	As previously reported	Prior year adjustments	As restated
STATEMENT OF FINANCIAL POSITION				
Cash and cash equivalents	i	626,585,317	162,267	**626,747,584**
Receivables from exchange transactions	a	452,860,619	(16,011,077)	**436,849,542**
Prepayments (under Current Assets)	b	43,510,048	201,930	**43,711,978**
Other current assets	c, g	78,816,260	(1,185,754)	**77,630,506**
Property, plant and equipment	h	16,987,689,674	(18,635,767)	**16,969,053,907**
Payables under exchange transactions	d,e,f	2,096,144,628	4,897,030	**2,101,041,658**
Accumulated surplus		1,704,023,235	(40,365,431)	**1,663,657,804**
STATEMENT OF FINANCIAL PERFORMANCE				
Revenue from exchange transactions	a	1,573,842,712	(3,643,224)	**1,570,199,488**
Other revenue	a,b	308,968,591	201,080	**309,169,671**
Operating costs	d,e,f,g,i	945,675,849	1,207,946	**946,883,795**
Employee benefits	g	1,067,116,225	276,887	**1,067,393,112**
Other expenses	c,g,h	136,444,643	18,980,457	**155,425,100**

Notes: Reasons for Prior Year Adjustments (net effect of Rs 40.4M on Accumulated Surplus)

a. Receivables were restated to reflect billing corrections relating to FY 2023-24 and earlier periods. These adjustments arose from issues such as excessive billing, undetected leakages and defective meters, among other factors.

b. Refunds of pension contribution (employer share) during FY 2023-24 were not cleared from the Cash Received Control (CRC) Account. The balances have been restated to reflect the correct treatment of these transactions.

c. A penalty cost charged on the VAT repayment claim for March 2024 was reclassified. It had previously been incorrectly recorded as a reduction in receivables.

d. Adjustments were made to account for payment of water tanker charges relating to prior years, following the outcome of court cases during FY 2024-25.

e. A claim for electricity costs, associated to the use of a private borehole, was received during FY 2024-25 but pertained to earlier periods. Necessary adjustments were made to reflect these costs in the appropriate years.

f. An additional claim for security costs was received after balance sheet date, arising from rate adjustments under the *National Minimum Wage (Amendment) Regulations 2024*, effective 01 January 2024. As a portion of the claim related to services rendered during FY 2023-24, appropriate adjustments were made to allocate these costs to the correct financial year.

g. A correction was made to a misallocation of non-recoverable tax under the Input VAT Account during FY 2023-24.

h. Arbitration cost paid during FY 2023-24 under a capital project which was already capitalised and operational prior to the settlement of the arbitration award, was reclassified and recognised as expenditure.

i. An adjustment to the Petty Cash balance was made, representing expenses incurred but not yet refunded at end of FY 2023-24.

NOTES TO THE FINANCIAL STATEMENTS

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

3. CASH AND CASH EQUIVALENTS

Particulars	2025	Restated 2024
(a) Petty cash	378,621	558,985
(b) Cash at bank	333,165,326	626,188,598
3.1 - Total cash and bank balances (as per statement of financial position)	**333,543,947**	**626,747,584**
3.2 - Bank overdraft	**(266,729,726)**	**(149,587,413)**
3.3 - Total cash and cash equivalents (as per cash flow statement)	**66,814,221**	**477,160,170**

Notes:

i. In May 2025, the Authority obtained approval for an increase in its bank overdraft facility limit from Rs 150M to Rs 350M. The new overdraft facility was activated in June 2025 upon signature of a facility letter with the approved banking institution.

ii. The facility is secured by a floating charge amounting to Rs 350M over the movable and immovable assets of the Authority, in accordance with the terms of the lending arrangement. The floating charge instrument was signed in March 2026.

4. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Particulars	2025	Restated 2024
Receivables from exchange transactions		
(a) Potable water sales	326,668,755	346,539,873
(b) Irrigation water sales	239,850,611	209,264,592
(c) Surcharge on Potable water sales	11,396,319	18,742,782
(d) Surcharge on Irrigation water sales	16,557,998	17,603,070
(e) Meter rentals	10,452,191	11,042,938
(f) Swimming pool fee	237,130	288,359
Gross receivables from exchange transactions	**605,163,003**	**603,481,614**
Provision for impairment		
(i) Provision for impairment on Irrigation Water Sales (IWS)	(139,635,635)	(97,303,782)
(ii) Provision for impairment on Potable Water Sales (PWS)	(65,641,133)	(62,642,429)
(iii) Provision for impairment on Surcharge (IWS)	(6,685,861)	(6,685,861)
Total provision for impairment on receivables (Note i)	**(211,962,629)**	**(166,632,072)**
Total receivables from exchange transactions (net of provision)	**393,200,374**	**436,849,542**

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

Notes:

i. Movement in provision is as follows:

Particulars	Provision for Impairment - IWS	Provision for Impairment - PWS	Provision for Impairment Surcharge
Balance as at 01 July 2024	**(97,303,782)**	**(62,642,429)**	**(6,685,861)**
Provision recognized during the year - increase	(42,331,853)	(2,998,704)	-
Balance as at 30 June 2025	**(139,635,635)**	**(65,641,133)**	**(6,685,861)**
Total provision for impairment on receivables			**(211,962,629)**

General provisions for impairment were re-calculated at year ended 30 June 2025, covering 100% of IWS and PWS debts aged more than three (3) years. Specific allowances were also created in respect of disputed amounts owed by identified consumers at year end, including those placed in liquidation.

ii. The credit risk and credit risk management policy relating to receivables has been explained at Note 30.2.4.

iii. Receivables include water bills amounting to Rs 129M for June 2025 consumption and delivered in July 2025 and August 2025. No surcharge is levied on trade receivables for the first 21 days from date of delivery of invoice and thereafter a surcharge of 10 per cent is applied on the outstanding balance.

5. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

Particulars	2025	2024
Capital grant receivable	13,656,356	-
Total receivables fron non-exchange transactions	13,656,356	-

Note:

Grant receivable as at 30 June 2025 relates to capital grant received from Government after year-end in July 2025, pertaining to grant appropriation budget for 2024-25.

NOTES TO THE FINANCIAL STATEMENTS

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

6. OTHER RECEIVABLES FROM EXCHANGE TRANSACTIONS

Particulars	2025	2024
(a) Security deposit - CEB	7,058,710	6,456,480
(b) Bank interest	-	1,018
(c) Claim for damages	3,517,346	3,017,346
(d) Other deposits	2,553,766	2,553,766
(e) Other miscellaneous receivables	4,908,455	2,936,138
Gross other receivables from exchange transactions	**18,038,277**	**14,964,748**
Provision for impairment		
(i) Claim for damages	(3,017,346)	(3,017,346)
(ii) Cash deposits	(2,553,766)	(2,553,766)
Total provision for impairment on other receivables	**(5,571,112)**	**(5,571,112)**
Total other receivables from exchange transactions	**12,467,165**	**9,393,636**

7. LOANS AND ADVANCES

Current

Particulars	2025	2024
Other receivables - Car loan (Note i)	6,981,212	6,632,919
Total loans and advances (current)	**6,981,212**	**6,632,919**

Non-current

Particulars	2025	2024
Other receivables - Car loan (Note i)	17,144,858	21,010,092
Total loans and advances (non-current)	**17,144,858**	**21,010,092**

Note:

I. Movement in car loans is as follows:

Particulars	2025	2024
Opening Balance	**27,643,011**	**22,345,957**
New loans granted during the year	3,461,990	14,327,600
Refund during the year	(6,978,931)	(9,030,546)
Closing Balance	**24,126,070**	**27,643,011**
Classified under current assets (short-term receivables)	*6,981,212*	*6,632,919*
Classified under non-current assets (long-term receivables)	*17,144,858*	*21,010,092*

8. INVENTORIES

Particulars	2025	2024
Inventories comprise the following items:		
(a) Meters and materials for new supplies	22,589,799	22,274,974
(b) Pipes and fittings	144,888,952	96,235,748
(c) Spare parts for vehicles	7,915,514	5,881,663
(d) Stationery and consumables	11,676,780	5,376,088
(e) Other miscellaneous items	23,709,180	16,628,879
Gross inventories	**210,780,225**	**146,397,352**
Provision for obsolescence	**(33,600,906)**	**(33,621,948)**
Total inventories (net of provision for obsolescence)	**177,179,319**	**112,775,404**

Notes:

i. Provision for obsolescence (slow-moving stock items) was calculated on stock value for items aged more than three (3) years at end of 30 June 2025, in line with the Authority's current impairment policy.

ii. Gross stock balance at 30 June 2025 represents the actual value of inventories at year-end. A full physical stock-take exercise was performed over the months of May 2025 to June 2025 at all existing store locations.

NOTES TO THE FINANCIAL STATEMENTS

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

9. PREPAYMENTS

Current

Particulars	2025	Restated 2024
(a) Advance payment for works	25,787,913	37,320,427
(b) Other prepayments	5,790,830	6,189,621
(c) Other receivables	-	201,930
Total prepayments (current)	**31,578,743**	**43,711,978**

Note:

Advance payment for works included advance payments totalling Rs 18.7M in respect of three contracts which were terminated since May 2021 due to poor performance of works by a contractor. Request for encashment was made and is receivable as at date of reporting. In line with Court Judgment of January 2026, an administrative settlement is under negotiation.

Non-current

Particulars	2025	2024
Prepayments towards land lease premium	269,175	272,054
Total prepayments (non-current)	**269,175**	**272,054**

Note:

Prepayment towards land lease premium refers to two 99-Year Lease of Land at (a) La Foret Chamouny (Pumping Station use) and (b) Petit Bois Caroline (Borehole use).

10. OTHER CURRENT ASSETS

Current

Particulars	2025	Restated 2024
Value-Added Tax (VAT)	101,897,003	77,630,506
Total other current assets	**101,897,003**	**77,630,506**

NOTES TO THE FINANCIAL STATEMENTS

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

11. PROPERTY, PLANT AND EQUIPMENT

Carrying amount of:	2025	Restated 2024
(a) Water supply facilities	16,738,924,081	15,948,605,912
(b) Irrigation facilities	112,260,835	113,169,417
(c) Cars and mobile service equipment	471,385,864	418,433,871
(d) Office, workshop and laboratory equipment	67,696,024	59,146,496
(e) Land and buildings	424,099,147	429,698,212
Total property, plant and equipment	**17,814,365,951**	**16,969,053,907**

Particulars	Water supply facilities	Irrigation facilities	Cars and mobile service equipment	Office, workshop and laboratory equipment	Land and buildings	Total property, plant and equipment
COST OR DEEMED COST						
At 1 July 2024	**19,800,396,121**	**119,571,447**	**651,540,270**	**128,474,662**	**473,973,512**	**21,173,956,013**
Additions	1,309,527,454	-	126,211,303	14,693,298	744,500	1,451,176,555
Disposal adjustment			(13,554,110)			(13,554,110)
Other adjustment						-
At 30 June 2025	**21,109,923,575**	**119,571,447**	**764,197,463**	**143,167,961**	**474,718,012**	**22,611,578,458**
ACCUMULATED DEPRECIATION						
At 1 July 2024	**3,833,154,443**	**6,402,030**	**233,106,399**	**69,328,166**	**44,275,300**	**4,186,266,339**
Depreciation expense	537,845,051	908,582	65,197,995	6,143,771	6,343,565	616,438,964
Disposal adjustment			(5,492,796)			(5,492,796)
Other adjustment					-	-
At 30 June 2025	**4,370,999,494**	**7,310,612**	**292,811,599**	**75,471,937**	**50,618,865**	**4,797,212,507**
CARRYING AMOUNT						
At 30 June 2025	**16,738,924,081**	**112,260,835**	**471,385,864**	**67,696,024**	**424,099,147**	**17,814,365,951**

Notes:

i. The Authority engaged the consultancy firm Mega Design Ltd, in association with Atkins International (UK), to carry out asset revaluation exercise in order to assess the fair value of the Property, Plant and Equipment as at 01 July 2017. The Consultant had independently carried on an exercise for revaluation of assets and assessment for impairment of assets in relation to the assets existing as at 30 June 2017. The Authority opted to use this fair value of Property, Plant and Equipment as its deemed cost on the transition date i.e. 01 July 2017. Necessary fair value adjustments were reflected in the Authority's financial statements since financial year 2017/18.

ii. Property, Plant and Equipment shown at 30 June 2025 were owned by the Authority except for:

Assets worth Rs 111.8M and 112.3M (Net Book Values as at 30 June 2025) awaiting transfer to the Water Resources Unit and Irrigation Authority respectively. The matter is at the level of the Ministry of Energy and Public Utilities (MEPU) for changes to be brought to legislation.

iii. The Authority occupies certain State Lands for the conduct of its operating activities which are categorised hereunder:

	As at 30 June 2025 Number
1. Leasehold State Land	**34**
2. State Land vested in Ministry of Energy and Public utilities (MEPU)/Ministry of Housing and Land Use Planning (MOHLUP) for use and occupation by CWA	**136**

As per a letter dated June 2018 from the Ministry of Housing and Land Use Planning, all state lands (vested/not vested in MEPU for use and occupation by the CWA) have been retrieved and 20-Year leases will be drawn over the respective sites. As at reporting date, the Lease Agreements were not yet formalised. The State Lands do not form part of the Authority's Land and Buildings value shown above as they have been classified as operating lease.

iv. The Authority had leased a Water Tanker to the Rodrigues Regional Assembly (RRA), free of charge, since 15 October 2022. On 06 May 2025, the said vehicle was donated to the RRA. The net book value as at the date of transfer was Rs 3.07M. Necessary adjustment has been made in the financial statements to record the asset donation.

v. Replacement of Water Supply Pipelines

As part of the Authority's ongoing renewal programme, sections of underground water pipelines are replaced progressively. Replaced pipelines are generally isolated or abandoned in situ due to technical, environmental or cost considerations and because reliable measurement of individual disposals is not practicable. Accordingly, disposal cost of these old and defective pipelines are typically nil, and replacement works are capitalised as new assets.

NOTES TO THE FINANCIAL STATEMENTS

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

12. RIGHTS-OF-USE ASSET

12.1 Carrying amount of:

Particulars	2025	2024
Vans on finance lease	37,040,808	43,145,702
Total Rights of use asset	**37,040,808**	**43,145,702**

Particulars	Vans (on lease)	Total
COST OR DEEMED COST		
At 1 July 2024	47,482,512	47,482,512
Additions	-	-
Disposal adjustment		-
Other adjustment		-
At 30 June 2025	**47,482,512**	**47,482,512**
ACCUMULATED DEPRECIATION		
At 1 July 2024	4,336,810	4,336,810
Depreciation expense	6,104,894	6,104,894
Disposal adjustment		-
At 30 June 2025	**10,441,704**	**10,441,704**
CARRYING AMOUNT		
At 30 June 2025	**37,040,808**	**37,040,808**

Note:

The Authority has entered into a contract with a leasing company in October 2023 for the leasing of vehicles over a period of seven (7) years at an agreed interest rate of 5.5% per annum. At the end of the lease period, the Lessor shall, at the option of the Lessee (CWA) and on notice, sell the vehicles to the Lessee at the Residual Value.

12.2 Lease liabilities

Set out below are the carrying amounts of the lease liabilities and the movements during the year:

Particulars	2025	2024
Opening balance	**43,222,733**	**-**
New leases	-	47,482,512
Repayment	(5,959,397)	(4,259,779)
Closing balance	**37,263,336**	**43,222,733**

Analysed as:	2025	2024
Current	6,295,553	5,959,397
Non-current	30,967,784	37,263,336

Maturity Analysis

Particulars	2025	2024
(a) Payable within one year	6,295,554	5,959,397
(b) Payable between one to two years	6,650,671	6,295,554
(c) Payable between two to three years	7,025,822	6,650,671
(d) Payable between three to five years	15,262,934	14,447,955
(e) Payable after five years	2,028,355	9,869,156
	37,263,336	**43,222,733**

13. ASSETS UNDER CONSTRUCTION

Particulars	2025	2024
Opening Balance	**609,348,033**	**739,515,107**
Additions	1,138,161,224	1,104,243,159
Materials awaiting installation	-	31,425,937
Capitalised during the year	(1,049,543,790)	(1,265,836,169)
Transfers	-	-
Closing Balance	**697,965,467**	**609,348,033**

NOTES TO THE FINANCIAL STATEMENTS

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

14. INTANGIBLE ASSETS

Particulars	2025	2024
Carrying amount of:		
Computer software	23,223,400	17,388,080
Total intangible assets	**23,223,400**	**17,388,080**

COST OR DEEMED COST

	2025	2024
Opening Balance	**65,512,176**	**60,536,755**
Additions	10,741,733	4,975,421
Closing Balance	**76,253,909**	**65,512,176**

ACCUMULATED AMORTISATION

	2025	2024
Opening Balance	**48,124,096**	**42,001,436**
Amortisation expense	4,906,412	6,122,661
Closing Balance	**53,030,509**	**48,124,096**

CARRYING AMOUNT

	2025	2024
Closing Balance	**23,223,400**	**17,388,080**
Opening Balance	17,388,080	18,535,320

NOTES TO THE FINANCIAL STATEMENTS

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

15. PAYABLES UNDER EXCHANGE TRANSACTIONS

Particulars	2025	Restated 2024
(a) Trade and other payables	1,233,919,567	730,898,972
(b) Accruals	650,037,697	320,575,979
(c) Interest on borrowings	849,175,872	700,291,703
(d) Payable to Wastewater Authority	22,956,939	18,450,320
(e) Payable to Government Consolidated Fund (Ground Water)	172,364,445	99,242,167
(f) Other payables	336,733,757	231,582,518
Total payables under exchange transactions	**3,265,188,277**	**2,101,041,658**

Note:

The average credit period on trade payable is 30-60 days. No interest is charged on the trade payables and accordingly does not involve any significant financing component.

16. DEPOSITS

Current

Particulars	2025	2024
Consumer deposits	121,544	118,372

Non-Current

Particulars	2025	2024
Consumer deposits	121,422,499	118,253,555

Notes:

i. Movement in consumer deposits is as follows:

Particulars	2025	2024
Opening Balance	**118,371,927**	**115,131,317**
Receipts during the year	3,173,916	3,244,410
Refund during the year	(1,800)	(3,800)
Closing Balance	**121,544,043**	**118,371,927**
Less: Amount shown as current	(121,544)	(118,372)
Amount shown as non-current	**121,422,499**	**118,253,555**

ii. As from financial year 1999/2000, 0.1% of total amount received as deposits is treated as current consumer deposits.

17. BORROWINGS

Current Portion of Long-Term Borrowings from Government

Particulars	2025	2024
Unsecured		
(a) Domestic loans	1,751,182,980	1,442,380,295
Total current portion of long-term borrowings	**1,751,182,980**	**1,442,380,295**

Non-Current Borrowings from Government

Particulars	2025	2024
Unsecured		
(a) Domestic loans	1,710,309,520	1,989,661,434
Total non-current borrowings	**1,710,309,520**	**1,989,661,434**

Notes:

i. Maturity analysis of total borrowings

Particulars	2025	2024
(a) Payable within one year	1,751,182,980	1,442,380,295
(b) Payable between one to two years	305,195,007	304,153,868
(c) Payable between two to three years	310,038,737	309,018,800
(d) Payable between three to five years	585,882,307	614,558,017
(e) Payable after five years	509,193,469	761,930,749
Total borrowings	**3,461,492,500**	**3,432,041,729**

ii. Unserviced loans/defaults

Details of defaults in payment during the current period with respect to loans contracted by the Authority are given hereunder:

Particulars	2025	2024
Domestic loans contracted directly from Government:		
Principal amount	286,059,643	272,349,684
Interest amount	148,884,168	145,517,039
Total	**434,943,811**	**417,866,723**

iii. Carrying amount of loan payables in default:

Particulars	2025	2024
Domestic loans contracted directly from Government	3,338,685,961	3,255,040,066
Total	**3,338,685,961**	**3,255,040,066**

iv. Terms of repayments and effective interest rate of the borrowings is stated hereunder:

Particulars	Terms of repayment	Effective interest rate
Domestic loans	Semi-annual instalments	2.25% - 10%

a. Long-term borrowings represent loans advanced by the Government of Mauritius (GoM) and foreign lending institutions. The rate of interest ranges from 2.25% to 10% per annum. The amount payable within one year is shown under current liabilities and the non-current portion is included in the non-current liabilities.

b. The Authority has not pledged any financial assets as collateral pertaining to the above liabilities.

18. EMPLOYEE BENEFIT OBLIGATIONS

Defined benefit plans

The Authority sponsors defined benefit plans for qualifying employees in Mauritius. The defined benefit plans are administered by a separate fund i.e. State Insurance Company of Mauritius (SICOM) Ltd. which is legally separated from the Authority. The trustees of the pension fund are required by law to act in the interest of the fund and of all relevant stakeholders in the plan. The trustees of the pension fund are responsible for the investment policy with regard to the assets of the fund.

Under the plans, the employees are entitled to post-retirement monthly instalments on attainment of a retirement age of 65 years.

The defined benefit plans require contributions from employees at the rate of 6% of their pensionable emoluments. Contributions are in the following two forms; one is based on the number of years of service and the other one is based on a fixed percentage of salary of the employees. Employees can also make discretionary contributions to the plans. The plans in Mauritius typically expose the company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk, pension, legislation and regulation risk.

a. **Investment risk:** The plan liability is calculated using a discount rate determined by reference to market yields on government bond. If the return on the plan assets is below this rate, it will create a plan deficit and if it is higher, it will create a plan surplus.

b. **Interest risk:** A decrease in the bond interest rate will increase the plan liability. However, this may be partially offset by an increase in the return on the plan's debt investments and a decrease in inflationary pressures on salary and pension increases.

c. **Longevity risk:** The plan liability is calculated by reference to the best estimate for the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.

d. **Salary risk:** The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability. The salary increases could be higher or lower than that assumed. In case of high salary increases relative to investment returns, this would decrease the real return, creating future deficit and hence require further annual contributions.

e. **Pension increases:** Post-retirement pension increases have a significant impact on the fund liability. The higher the increases compared to the return on the assets backing the liabilities, the higher the impact will be felt on the pension costs.

f. **Legislation and regulation:** Changes in legislation and regulation governing pension funds such increase in taxation, government fees and minimum benefits may adversely affect the fund.

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

Current

Particulars	2025	2024
I. Provision for employee benefits		
(a) Sick leave	19,118,610	15,718,183
(b) Passage benefit	14,016,589	15,909,447
(c) Vacation leave	3,064,789	2,833,301
(d) Annual leave/gratuity	3,128,743	7,965,916
Total current provision for employee benefits	**39,328,731**	**42,426,847**

Non-current

Particulars	2025	2024
I. Provision for employee benefits		
(a) Sick leave	168,702,971	148,668,601
(b) Passage benefit	35,963,691	38,922,552
(c) Vacation leave	157,574,754	155,347,349
II. Retirement benefit obligation		
Pension fund	2,679,920,958	2,843,130,503
Total non-current provision for employee benefits	**3,042,162,374**	**3,186,069,005**

Note:

i. The Authority contributes to Defined Benefit Pension Plan (DB) for its employees and has recognised a Net Defined Benefit Liability of Rs 2.68 Bn in respect of pension benefits under the Central Water Authority Pension Fund in the statement of financial position as at 30 June 2025. New entrants as from January 2013 are under the Defined Contribution Pension Scheme (DC). For the year ended 30 June 2025, an amount of Rs 11,863,550 was recognised as an expense in respect of contributions to the DC Plan.

ii. Actuarial Report on the Defined Benefit Pension Plan (DB) for CWA employees:

NOTES TO THE FINANCIAL STATEMENTS

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

a. Amount recognised in Statement of Financial Position at the end of the year:

Particulars	2025	2024
Defined benefit obligation	2,743,189,988	2,903,746,591
Fair value of plan assets	(63,269,030)	(60,616,088)
Net defined benefit liability recognised in Statement of Financial Position at end of year	**2,679,920,958**	**2,843,130,503**

b. Amount recognised in Statement of Financial Performance:

Particulars	2025	2024
Current service cost	37,269,487	42,805,780
Employee contribution	(11,863,550)	(13,153,348)
Fund expense	2,877,988	3,008,495
Net interest expense	151,175,011	146,015,169
Components of defined benefit costs recognised in Statement of Financial Performance	**179,458,936**	**178,676,096**

c. Remeasurement of Net Defined Benefit Liability:

Particulars	2025	2024
Liability (gain)/loss	(163,112,286)	267,830,239
Assets (gain)/loss	446,125	(1,656,129)
Remeasurement (gain)/loss on net defined benefit liability	**(162,666,161)**	**266,174,110**
Total	**16,792,775**	**444,850,206**

d. Movement in liability recognised in the Statement of Financial Position:

Particulars	2025	2024
Opening balance	2,843,130,503	2,586,827,711
Amount recognised as expense	179,458,936	178,676,096
Contributions paid by the employer	(180,002,319)	(188,547,415)
Remeasurement (gain)/loss on net defined benefit liability	(162,666,161)	266,174,110
Closing balance	**2,679,920,958**	**2,843,130,503**

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

e. Reconciliation of present value of defined benefit obligation:

Particulars	2025	2024
Opening balance	2,903,746,591	2,640,308,237
Current service cost	37,269,487	42,805,780
Interest expense	154,502,611	149,221,200
Benefits paid	(189,216,415)	(196,418,865)
Liability (gain)/loss	(163,112,286)	267,830,239
Closing balance	**2,743,189,988**	**2,903,746,591**

f. Reconciliation of fair value of plan assets:

Particulars	2025	2024
Opening balance	**60,616,088**	**53,480,525**
Interest Revenue	3,327,601	3,206,031
Employer contribution	180,002,319	188,547,415
Employee contribution	11,863,550	13,153,348
Benefits paid and other outgo	(192,094,403)	(199,427,360)
Gain/(loss) on plan assets	(446,125)	1,656,129
Closing balance	**63,269,030**	**60,616,088**

g. Components of experience amount recognised in Statement of Changes in Net assets/Equity:

Particulars	2025	2024
Assets experience gain/(loss) during the year	(446,125)	1,656,129
Liability experience loss	(5,748,906)	(139,760,764)
Liability gain/(loss) arising from changes in financial assumptions	168,861,192	(128,069,475)
Components of experience amount recognised	**162,666,161**	**(266,174,110)**

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

h. Allocation of plan asset at end of year:

Particulars	2025 %	2024 %
Fixed interest securities and deposits	47.7	49.9
Loan	3.1	3.1
Local equities	16.8	15.2
Overseas bonds and equities	31.9	31.3
Properties	0.5	0.5
Total	**100%**	**100%**

Weighted average duration of the defined benefit obligation is 12 years.

Based on the actuarial report the Authority does not have any plan assets invested in its assets held in its own financial instruments or property occupied by the authority or other assets used by the authority.

The Authority's investment policy is driven by considerations of maximising returns while ensuring credit quality of debt instruments. The asset allocation for plan assets is determined based on prescribed investment criteria and is also subject to other exposure limitations. The Authority evaluates the risks, transaction costs and liquidity for potential investments. In order to measure plan assets performance, the Authority compares actual returns for each asset category with published benchmarks.

i. Principal assumptions used at the end of the period:

The plan is exposed to actuarial risks such as investment risk, interest rate risk, longevity risk, salary risk and pension risk.

The cost of providing the benefits is determined using the Projected Unit Method.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	2025 %	2024 %
Discount rate(s)	6.00	5.50
Future salary increases	4.50	4.50
Future pension increases	3.50	3.50
Mortality before retirement	Nil	Nil
Mortality in retirement	PA (90) Tables - rated down by 2 years	
Retirement age	65 Years	

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

In reality one might expect interrelationships between the assumptions, especially between discount rate and expected salary increases, given that both depend to ascertain extent on expected inflation rates. The analysis above abstracts from these interdependences between the assumptions.

Sensitivity analysis on defined benefit obligation at the end of the year:

	2025	2024
Increase due to 1% decrease in discount rate	356,200,000	401,400,000
Decrease due to 1% increase in discount rate	291,100,000	325,000,000
Increase due to 1% increase in salary growth	126,400,000	146,500,000
Decrease due to 1% decrease in salary growth	109,600,000	126,200,000
Increase due to increase by one (1) year in life expectancy	93,900,000	101,800,000
Decrease due to decrease by one (1) year in life expectancy	92,800,000	100,400,000
Increase due to 1% increase in pension growth	213,000,000	101,800,000
Decrease due to 1% decrease in pension growth	188,400,000	100,400,000

The sensitivity analysis has been carried out by re-calculating the defined benefit obligation at the end of the period after increasing or decreasing the discount rate while holding all other assumptions unchanged. The same exercise is thereafter done for future salary increases and life expectancy. The main limitation of such analysis is that interdependence between the assumptions is ignored. There have been no change in methods and assumptions used for preparing the sensitivity analysis. In reality, one might expect interrelationships between the assumptions, especially between discount rate and expected salary increases given that both depends to a certain extent on expected inflation rates.

k. Effect of the defined benefit plan on the Authority's future cash flows

The Authority should fund the cost of the entitlements expected to be earned on a yearly basis. Employees pay a 6% percent of pensionable salary. The residual contribution (including back service payments) is paid by the Authority. The funding requirements are based on a local actuarial measurement framework. In this framework the discount rate is determined by reference to market yields on bonds. The Authority is statutorily committed to paying into the plan.

Following the last actuarial valuation exercise carried out as at 30 June 2022, an increase in the employer contribution to the Staff Pension Fund of Rs 1.5M monthly (from Rs 13.5M to Rs 15M) was approved with effect from January 2023 up to June 2037.

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

As per the project cash flows of the CWA Pension Fund, the market value of the Fund would rise from Rs 63M to Rs 129M by 30 June 2028.

Projected benefit payments in terms of retirement gratuity and annual pensions would amount to Rs 525M over the next three (3) years to June 2028.

Assumptions used for the cash flow projections: Investment return of 6.0% p.a, salary increase if 4.5% p.a, pension increase of 3.5% p.a, management fee of 1.5% p.a, rate of employee contribution 6.0% p.a.

19. PROVISIONS

Current

Particulars	2025	2024
Provision for arbitration costs payable to contractor	68,563,958	-
Total provisions	68,563,958	-

20. OTHER CURRENT LIABILITIES

Current

Particulars	2025	2024
(a) Deferred revenue towards capital grants - Government	260,201,906	221,905,547
(b) Deferred revenue towards capital grants - other parties	268,508,267	301,171,743
(c) Advance/double payment received from customers	(14,740)	6,532,367
(d) Financial contribution received from consumers	370,744,693	320,678,918
Total other current liabilities	**899,440,126**	**850,288,575**

Notes:

i. Movement in capital grants received from Government is as follows:

Particulars	2025	2024
Opening Balance	**221,905,547**	**421,297,171**
Received during the reporting period	756,051,688	589,951,630
Release to statement of financial performance	(717,755,329)	(789,343,254)
Closing Balance	**260,201,906**	**221,905,547**

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

Amounts are released to revenue upon completion or substantial completion of capital projects for which grant has been received from the Government of Mauritius.

ii. Movement in capital grants received from other parties is as follows:

Particulars	2025	2024
Opening Balance	**301,171,743**	**-**
Received during the year	106,318,580	352,530,468
Release to statement of financial performance	(138,982,056)	(51,358,725)
Closing Balance	**268,508,267**	**301,171,743**

iii. Movement in financial contribution received from consumers is as follows:

Particulars	2025	2024
Opening Balance	**320,678,918**	**92,701,474**
Received during the year	214,448,818	365,407,517
Refund during the year	(205,550)	(128,400)
Release to statement of financial performance	(164,177,493)	(137,301,673)
Closing Balance	**370,744,693**	**320,678,918**

21. NET ASSETS/EQUITY

Particulars	2025	Restated 2024
(a) Contributed capital	2,615,450,607	2,615,450,607
(b) Accumulated surplus	1,071,548,960	1,663,657,804
(c) Revaluation reserve	4,771,801,139	4,771,801,139
Total net assets/equity	**8,458,800,706**	**9,050,909,550**

NOTES TO THE FINANCIAL STATEMENTS

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

22. REVENUE FROM WATER SALES

Particulars	2025	Restated 2024
(a) Potable		
- Domestic	836,631,169	816,411,374
- Non-domestic	623,089,172	603,119,999
- Government	116,682,866	115,297,808
- Surface water	1,108,013	1,190,792
(b) Irrigation water	33,955,370	34,179,515
Total revenue from water sales	**1,611,466,590**	**1,570,199,488**

Note:

i. Revenue from surface water relates to water consumption by consumers from streams, rivers, wet-land and lakes.

23. OTHER REVENUE

Particulars	2025	Restated 2024
(a) Financial contribution from consumers	164,177,493	137,301,673
(b) Rental revenue from water meters	40,768,950	40,811,150
(c) Surcharge on potable water sales	26,409,664	30,641,648
(d) Surcharge on irrigation water sales	68,489	2,467,834
(e) Swimming pool fee	919,500	874,500
(f) Re-opening fees	2,627,750	2,805,218
(g) Morcellement/non-refundable processing fees	5,197,503	5,945,000
(h) Commission fees	14,250,278	13,431,807
(i) Interest income	810,451	1,044,256
(j) Income from encashment of performance securities	500,000	13,333,333
(k) Income from liquidated damages	61,645,688	34,521,435
(l) Other sundry revenue	21,757,256	25,991,817
Total other revenue	**339,133,022**	**309,169,671**
Total revenue from exchange transactions	**1,950,599,612**	**1,879,369,159**

NOTES TO THE FINANCIAL STATEMENTS

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

Notes:

i. Since 01 January 2016, domestic households are exempted from payment of water charges when their monthly consumption are less or equal to 6 cubic metres. Total exemption under domestic water sales and meter rental for the year ended 30 June 2025 amounted to Rs 45M (30 June 2024: Rs 41M) for an average of 78,000 eligible domestic consumers.

ii. Swimming pool fee refers to an additional fixed monthly amount of Rs 500 charged per domestic customer having a swimming pool and consuming water greater or equal to 50 cubic metres per month.

iii. Commission fees relate to income from management fees generated by the Authority through bill collection and remittance services rendered to: (i) Government in respect of ground water bills (ii) Wastewater Management Authority for wastewater bills and (iii) CEB for electricity bills.

iv. Management fees for collection and remittance of ground water bills to the Government Consolidated Fund is recognised as revenue at time of remittance of funds. Other management fees are recognised at time of bill collection. At end of each financial year, adjustments are made to account for management fees receivable in respect of each respective year in line with matching concept.

24. GRANTS

Particulars	2025	2024
(a) Revenue from grants - Government	717,755,329	789,343,254
(b) Revenue from grants - other parties	138,982,056	51,358,725
Total revenue from non-exchange transactions	**856,737,385**	**840,701,979**

Note:

Grants from Government and other parties are released to revenue upon completion or substantial completion of respective corresponding projects at year-end.

NOTES TO THE FINANCIAL STATEMENTS

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

25. OPERATING COSTS

Particulars	2025	Restated 2024
(a) Water treatment charges	79,929,919	52,857,441
(b) Electricity charges	606,575,764	505,517,271
(c) Leakage control	48,113,791	42,686,416
(d) Telephone charges	13,424,037	12,151,576
(e) Rent	19,154,006	27,678,781
(f) Security charges	229,032,257	153,973,990
(g) Repairs and maintenance charges		
- Buildings and premises	85,474,128	82,746,178
- Filter and canals	640,735	667,129
- Others	8,866,125	13,345,069
(h) Insurance charges	5,646,782	2,076,713
(i) Office requisites and other miscellaneous expenses	24,210,877	21,115,506
(j) ICT and other maintenance expenses	18,351,435	15,218,297
(k) Increase/(decrease) in provision for slow-moving stock	(21,042)	16,849,423
(l) Donation	3,072,950	-
Total operating costs	**1,142,471,764**	**946,883,795**

Note:

The Authority has donated a Water Tanker worth Rs 3.07M (Net Book Value as at date of transfer) to the Rodrigues Regional Assembly on 06 May 2025.

26. EMPLOYEE BENEFITS

Particulars	2025	Restated 2024
(a) Salaries and wages	1,204,547,851	1,052,975,867
(b) Other employee related expenses	8,236,948	14,417,245
Total employee benefit expenses	**1,212,784,799**	**1,067,393,112**

Note:

The item for 'Salaries and wages' is the net figure after transfer of an amount of Rs 69,098,117 to capital projects in progress, representing labour and associated costs directly related to these particular projects.

NOTES TO THE FINANCIAL STATEMENTS

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

27. DEPRECIATION AND AMORTISATION

Particulars	2025	2024
(a) Depreciation on property, plant and equipment	622,543,859	610,998,931
(b) Amortisation on intangible assets	4,906,412	6,122,662
Total depreciation and amortisation expenses	**627,450,271**	**617,121,593**

28. FINANCE COSTS

Particulars	2025	2024
(a) Interest on foreign loans	-	-
(b) Interest on local loans	160,752,926	162,430,007
(c) Interest on bank overdraft	9,781,880	7,588,096
(d) Interest on finance lease	2,228,511	1,881,153
(e) Other borrowing costs (penalty on GoM loans)	105,733,412	86,060,664
Total interest and other borrowing costs	**278,496,730**	**257,959,920**
Less: Interest capitalised	-	-
Total finance costs	**278,496,730**	**257,959,920**

Notes:

i. Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets are capitalised as part of the cost of that asset.

There were no borrowing costs to be capitalised during the year 2024-25.

ii. Other borrowing costs refer to penalty claims on non-repayment of Government loans.

NOTES TO THE FINANCIAL STATEMENTS

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

29. OTHER EXPENSES

Particulars	2025	Restated 2024
(a) Commission paid to collecting agencies	17,680,464	18,666,116
(b) Transport cost	124,602,891	89,378,502
(c) Legal and professional charges	35,379,253	7,903,185
(d) Bank charges and commission	1,658,172	666,842
(e) Arbitration costs	68,563,958	18,635,767
(f) Loss on disposal of non-current assets	1,921,764	260,865
(g) Increase in provision for impairment towards receivables	45,330,557	19,912,723
(h) Decrease in allowance for surcharge receivable	5,763,379	-
(i) Licences, fees & permits	8,000	1,100
Total other expenses	**300,908,438**	**155,425,100**

30. FINANCIAL INSTRUMENTS

30.1 Classification of financial instruments

Particulars	2025	Restated 2024
Financial instrument measured at amortized cost		
(a) Financial assets		
(i) Cash and cash equivalents	333,543,947	626,747,584
(ii) Receivables from exchange transactions	393,200,374	436,849,542
(iii) Receivables from non-exchange transactions	13,656,356	-
(iv) Other receivables from exchange transactions	12,467,165	9,393,636
(v) Loans and advances	24,126,070	27,643,011
Total financial assets	**776,993,912**	**1,100,633,772**
(b) Financial liabilities		
(i) Payables under exchange transactions	3,265,188,277	2,101,041,658
(ii) Bank overdraft	266,729,726	149,587,413
(iii) Deposits	121,544,043	118,371,927
(iv) Provisions	68,563,958	-
(v) Lease liabilities	37,263,336	43,222,733
(vi) Borrowings	3,461,492,500	3,432,041,729
Total financial liabilities	**7,220,781,840**	**5,844,265,460**

30.2 Financial risk management

The Authority's activities are exposed to financial risks, such as Foreign currency risk, Interest rate risk, Liquidity risk, Credit risk.

A description of the significant risk factors is given below together with the risk management policies applicable. These risks are closely monitored to ensure that they are sufficiently dealt with. The Authority has devised a set of policies for managing these risks which are under the close scrutiny of the Audit and Risk Committee which is a subcommittee of the Central Water Board.

30.2.1 Currency profile

The Authority has no financial liability held in foreign currency as at reporting date:

30.2.2 Interest rate risk

The Authority is exposed to risk associated with the effect of fluctuations in the prevailing level of market interest rate on its financial position and cash flows. The Authority is exposed to interest rate risk exposures significantly towards borrowings from Government of Mauritius but has not covered the exposures through interest rates swaps or other derivative instruments. The interest rate profile of the Authority's financial assets and liabilities was:

Particulars	2024-25 % per annum
Financial assets	
Cash at bank	0.10% - 0.15%
Financial liabilities	
Borrowings	2.25% - 10%

30.2.2.1 Interest rate sensititivity analysis

The following table presents the sensitivity of net assets and surplus/deficits to a change in interest rates in the range of minus 10 basis points and plus 10 basis points, given outstanding positions as at 30 June 2025:

Particulars	Impact on Net Assets/Equity
Plus 10 basis points	8,458,801
Minus 10 basis points	(8,458,801)

30.2.3 Liquidity risk

Liquidity risk is the risk of the Authority not being able to meet its obligations as they fall due. The Authority's approach to managing liquidity risk is to ensure that sufficient liquidity is available to meet its liabilities when due, without incurring unacceptable losses or risking damage to the entity's reputation. The Authority ensures that it has sufficient cash on demand to meet expected operating expenses through the use of cash flow forecasts. In addition, liquidity risk is managed on an individual entity basis, which generally requires that assets of appropriate quantity and quality are held to meet obligations as they fall due.

Expected maturity for financial liabilities

As at 30 June 2025	Less than 1 year	1-5 years	+5 Years	Total	Carrying amount
(i) Cash and cash equivalents	333,543,947	-	-	**333,543,947**	**333,543,947**
(ii) Receivables from exchange transactions	393,200,374	-	-	**393,200,374**	**393,200,374**
(iii) Receivables from non-exchange transactions	13,656,356	-	-	**13,656,356**	**13,656,356**
(iv) Other receivables from exchange transactions	12,467,165	-	-	**12,467,165**	**12,467,165**
(v) Loans and advances	6,981,212	15,727,863	1,416,995	**24,126,070**	**24,126,070**
As at 01 July 2024					
(i) Cash and cash equivalents	626,747,584	-	-	**626,747,584**	**626,747,584**
(ii) Receivables from exchange transactions	436,849,542	-	-	**436,849,542**	**436,849,542**
(iii) Other receivables from exchange transactions	9,393,636		-	**9,393,636**	**9,393,636**
(iv) Loans and advances	6,632,919	19,238,335	1,771,757	**27,643,011**	**27,643,011**

Expected maturity for financial liabilities

As at 30 June 2025	Less than 1 year	1-5 years	+5 Years	Total	Carrying amount
(i) Payables under exchange transactions	3,265,188,277	-	-	**3,265,188,277**	**3,265,188,277**
(ii) Bank overdraft	266,729,726	-	-	**266,729,726**	**266,729,726**
(iii) Deposits	121,544	-	121,422,499	**121,544,043**	**121,544,043**
(iv) Provisions	68,563,958	-	-	**68,563,958**	**68,563,958**
(v) Lease liabilities	6,295,554	28,939,427	2,028,355	**37,263,336**	**37,263,336**
(vi) Borrowings	1,751,182,980	1,201,116,051	509,193,469	**3,461,492,500**	**3,461,492,500**
As at 01 July 2024					
(i) Payables under exchange transactions	2,101,041,658	-	-	**2,101,041,658**	**2,101,041,658**
(ii) Bank overdraft	149,587,413	-	-	**149,587,413**	**149,587,413**
(iii) Deposits	118,372	-	118,253,555	**118,371,927**	**118,371,927**
(iv) Lease liabilities	5,959,397	27,394,180	9,869,156	**43,222,733**	**43,222,733**
(v) Borrowings	1,442,380,295	1,227,730,685	761,930,749	**3,432,041,729**	**3,432,041,729**

30.2.4 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Authority does not have a significant concentration on credit risks. Risks are mitigated by charging a 10% surcharge on invoices that are not settled within the due dates (21 days from delivery date). In the event of non-payment after 90 days following invoice delivery date, water supply is disconnected after issue of reminders and matter is referred to the Debt Collection Unit for eventual prosecution. The Authority's credit risk is primarily attributable to its receivables from exchange transactions. The receivables amount shown on the face of the statement of financial position is net of allowances for doubtful debts, as estimated by Management based on past experiences and ongoing disputed claims. As at 30 June 2025, the maximum credit risk exposure was Rs 393M after impairment of receivables above three (3) years due (30 June 2024: Rs 437M) as analysed below:

Receivables as at 30 June 2025	Gross Receivables	Provision for impairment	2025 Net Trade Receivables
Invoices issued in July	126,487,440		126,487,440
Within 30 days	103,300,766		103,300,766
31-60 days	23,053,112		23,053,112
61-90 days	12,141,087		12,141,087
More than 90 days	340,180,598	(211,962,629)	128,217,969
Total	**605,163,003**	**(211,962,629)**	**393,200,374**

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

Receivables as at 30 June 2024	Gross Receivables	Provision for impairment	Restated 2024 Net Trade Receivables
Invoices issued in July	133,349,915		133,349,915
Within 30 days	116,257,090		116,257,090
31-60 days	24,913,008		24,913,008
61-90 days	19,456,846		19,456,846
More than 90 days	309,504,755	(166,632,072)	142,872,683
Total	**603,481,614**	**(166,632,072)**	**436,849,542**

30.3 Climate-related risks

The Authority operates water treatment and distribution infrastructure that is inherently exposed to climate-related risks, including variability in rainfall patterns, prolonged droughts and extreme weather events. These risks may affect water availability, operating costs and infrastructure resilience over the medium to long term. Management monitors such risks through strategic planning and infrastructure investment programmes. Climate-related disclosures are provided at a high level, in line with current public-sector reporting practices, noting that detailed IPSAS sustainability reporting standards are not yet effective.

31. RELATED-PARTY TRANSACTIONS

(a) Nature of related-party relationships

Entities and other parties related to the Authority include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

(b) Government of Mauritius and Key management personnel

The Government of Mauritius is deemed to directly or indirectly control the Authority and exercise significant influence over the Authority in making financial and operating decision.

Other related parties include the key management personnel of the Authority. Key management personnel are those persons having authority and responsibility of planning, directing, and controlling the activities of the entity, directly or indirectly, including directors (whether executive or otherwise) of the entity. Key management personnel during the reporting period comprised the following grades:

i. General Manager

ii. Deputy General Manager / Officer-in-Charge

iii. Head of Division

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

(c) Outstanding balance with related parties:

Government of Mauritius

Nature of balance outstanding	2025	2024
Borrowings payable to Government	3,461,492,500	3,432,041,729
Interest payable to Government	849,175,872	700,291,703
Penalty payable to Government	330,501,691	225,037,250

(d) Transactions with related parties:

Government of Mauritius

Nature of transaction	2025	2024
Grants receipts from Government	756,051,688	589,951,630
Capital contribution received	-	700,000,000
Loan proceeds from Government	17,582,014	28,471,615
Total	**773,633,702**	**1,318,423,245**

(e) Compensation of key management personnel:

The remuneration of directors and other members of key management personnel during the year are as follows:

Short-term employee benefits	2025	2024
Salaries and allowances	23,240,734	22,959,272
Sick leave	701,284	499,182
Passage benefits	452,191	211,889
Gratuity	758,850	992,650
Annual leave	18,368	205,744
Total short-term employee benefits	**25,171,427**	**24,868,737**
No of persons	**20**	**14**

NOTES TO THE FINANCIAL STATEMENTS

All amounts are in Mauritian Rupees (Rs) unless otherwise stated

32. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

(a) Contingent liabilities

At 30 June 2025, the Authority had contingent liabilities arising from the ordinary course of business in respect of bank guarantees and ongoing court cases as follows:

(i) Bank guarantee facility

The Authority has given guarantees mainly in favour of Local Authorities for obtaining wayleaves for excavation works required for laying of water pipes and house connections and it is anticipated that no material liability would arise.

(ii) Litigation cases

At the date of reporting, the Authority had some contested claims in court, the outcomes of which are unknown.

There are uncertainties involved in respect of the possible outcome of the above matters which make them a possible obligation dependent on occurrence or non-occurrence of one or more uncertain events. Therefore, the Authority has disclosed the above matters along with its estimated financial effect as contingent liabilities.

Particulars of contingent liabilities:

	2025	2024
(i) Bank guarantee facility	49,300,000	49,300,000
(ii) Litigation cases	175,700,000	237,000,000
Total contingent liabilities	**225,000,000**	**286,300,000**

(b) Contingent assets

There are no contingent asset that is required to be disclosed in the financial statements as at 30 June 2025.

33. COMMITMENTS

a. The Authority has signed a Memorandum of Agreement on 07 September 2023 with a Special Purpose Vehicle (SPV) viz New Social Living Development Ltd, a wholly owned subsidiary of the National Housing Co Ltd, whereby CWA has been mandated to carry out all offsite water infrastructural works to enable the construction of 8000 housing units on 39 sites across the island. The related projects are in progress and funding is being provided by the Government. At the end of the works, CWA shall take possession of the entire offsite water infrastructure for management and maintenance.

b. On 25 June 2024, the Authority has entered into a major agreement with a private entity, in which it undertakes to treat and supply water in specific water-stressed areas for periods of up to 25 years at a premium rate. The associated capital costs are being financed by the said entity as a financial contribution, which shall be released to income in full upon completion of works.

34. OPERATING LEASE

The Authority has operating lease arrangements for the lease of land, buildings, parking slots and office equipment to conduct its operations, both on cancellable and non-cancellable lease terms. It did not enter into any sublease arrangement.

CWA as a lessee

Lease payments in the current period

During the year 2024-25, an amount of Rs 19.0M (Rs 27.7M in 2023-24) has been recognised as expense and forms part of the Operating Costs disclosed under Note 25 above in the statement of financial performance.

Future Minimum lease payments under operating leases

At the reporting date, the Authority had outstanding commitments under non-cancellable operating leases, which fall due as follows:

	2025	2024
Not later than one year	4,223,042	3,119,609
Later than one year and not later than five years	3,489,238	2,239,344
Later than five years	-	5,546

35. EVENTS OCCURRING AFTER REPORTING DATE

(a) Adjusting events after the reporting date

Adjusting events after reporting date are those that provide evidence of conditions that existed at the reporting date. The following event which occurred after the reporting date is considered by Management to be significant and of an adjusting nature:

01 July 2025 - Encashment of a performance security for an amount of Rs 500,000 in respect of one (1) contract which was terminated during the course of the year 2024-25.

21 Jan 2026 - Court Judgment on counter-appeal delivered with respect to an arbitration decision of April 2024, upholding the Authority's liability while partially setting aside the quantum of the award. A provision has been recognised in the accounts based on the Judgment.

(b) Non-adjusting events after the reporting date

Non-adjusting events are those that are indicative of conditions that arose after the reporting date. As at date of approval of the financial statements 2024-25, there is no known material non-adjusting event after reporting date to be disclosed.

36. TAXATION

The Authority is not liable to Tax.

CENTRAL WATER AUTHORITY

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