RIGHTS MANAGEMENT SOCIETY

ANNUAL REPORT FOR THE PERIOD JANUARY 2016 TO JUNE 2017

REGISTERED OFFICE

Avenue des Artistes

Beau Bassin

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CORPORATE PROFILE

THE SOCIETY

The Rights Management Society was established under the Copyright Act 2014 to replace the Mauritius Society of Authors. The Society operates under the aegis of the Ministry of Arts and Culture.

The Mauritius Society of Authors was established under The Copyright Act 2014 as amended in 2017 to replace the Rights Management Society.

OBJECTS AND FUNCTIONS OF THE SOCIETY

The Society, in relation to its members, shall —

(a) collectively manage rights which may include the rights of authors or owners of copyright under section 6(1) or related rights namely —

(i) right of public performance, right of public transmission, right of public communication of a fixed work, right of broadcasting, right of rebroadcasting, right of public communication of a broadcasting and right of making available to the public non-stage musical and literary works;

(ii) right of audio recording reproduction of musical work;

(iii) right of distribution, the right of rental and the right to a remuneration;

(iv) right to a remuneration for public lending;

(v) resale right when the original works of art are being resold;

(vi) right to a remuneration for reproduction of a work for private or personal use;

(vii) right to a remuneration to the public of folk literary and artistic creations;

(viii) performers under section 30(1), namely —

(A) right of public communication of a fixed performance and broadcastings;

(B) right of public presentation of a fixed performance;

(C) right of broadcasting and rebroadcasting of a fixed perfonnance;

(D) right of making available to the public of a fixed performance;

(E) rental right of a fixed performance;

(F) right to a remuneration for public lending of a fixed performance;

(G) right to a remuneration for reproduction of a fixed performance for private or other personal use;

(ix) producers of phonograms under section 32(1), namely —

(A) right of making available to the public of a phonogram;

(B) right to a remuneration for broadcasting and public communication of a phonogram;

(C) right of rental of a phonogram;

(D) right to a remuneration for public lending of a phonogram;

(E) right to a remuneration for reproduction of a phonogram for private or other personal use;

(x) film producers, namely —

(A) right to a remuneration for public lending of a videogram;

(B) right to a remuneration for reproduction of a videogram for private or other personal use;

(xi) the right to a remuneration of publishers for reproduction of their written editions for private or other personal use;

(b) determine the criteria for, and classes of, membership of the Society;

(c) represent and defend the interests of its members in Mauritius and abroad;

(d) administer, within Mauritius on an exclusive basis, such economic rights of its members on such terms and conditions set down in its rules;

(e) negotiate with any user of a work —

(i) the conditions of, and the fees to be paid for, the authorisation to be given to do an act covered by any economic rights referred to in paragraph (d);

(ii) the amount of equitable remuneration where the right to such remuneration is administered by the Society; (f) collect fees from the users of a work on behalf of its members and distribute those fees among those members; (g) enter into reciprocal agreements with foreign societies for the issue of exclusive authorisation in respect of their members' works and for the collection and distribution of fees deriving from those works;

(h) endeavour to obtain the transfer of membership of Mauritian authors, phonogram producers and performers who are members of foreign societies and safeguard in their favour, whose membership has been transferred, all the advantages which may have accrued to them before the transfer;

(i) issue standard forms of contracts for the benefit and use of its members;

(j) foster such harmony and understanding between its members and the users of their works as are necessary for the protection of their economic rights;

(k) provide its members with information or advice on all matters relating to copyright and related rights;

(l) do any further activities which it has been authorised to do by its members whose economic rights or rights to equitable remuneration it administers;

(m) establish and administer a Provident Fund and a Benevolent Fund for the benefit of its members;

(n) to do such other functions as may be prescribed

GENDER STATEMENT

In devising its' programmes, policies and benefits, the Society commits itself towards the integration of gender equality and equity. The Society promotes a healthy and collegial working environment for staff irrespective of gender. It ensures that all staff are equally valued, empowered and rewarded.

STAFF

The Society is managed by a Board and headed by an Officer-in-Charge who is responsible for the execution of the policy of the Board and the day-to-day administration of the Society. Support services were provided by 26 full-time employees.

REVIEW OF ACTIVITIES AND ACHIEVEMENTS

The main objectives of the Society are to collect copyright fees from music users and to distribute the sums collected to copyright owners.Distribution of royalties' exercises have been carried out at least twice a year.

CORPORATE GOVERNANCE

STATEMENT OF COMPLIANCE

The Society is committed to implement best practices in Corporate Governance with the ultimate objective to fully adhere to the recommendations and principles contained in the Code of Corporate Governance for Mauritius 2016.

According to the Statutory Bodies (Accounts and Audit) Act, the Society needs to include a Corporate Governance report in its Annual Report. It is a legal requirement that the Society complies with all the provisions of the Code.

The Society's Board confirms to the best of its knowledge that it has complied as far as possible with all its obligations and requirements under the Code of Corporate Governance, the Finance and Audit Act, Copyright Act, Statutory Bodies (Accounts and Audit) Act and other statutory requirements.

PRINCIPLE 1 - GOVERNANCE STRUCTURE

The Generic Guidance of the Code provides for a definition of effectiveness to the existence of structural components, such as a Board Charter, a Code of Ethics, Job Descriptions and, an organizational chart. The Board operates in line with provision of the Copyright Act. A Board charter and a Code of Ethics for the Board are yet to be drafted.

FUNCTIONING OF THE BOARD

The Board meetings are a fundamental component of governance processes. Each Board meeting is critical as it is the main opportunity to fulfill its functions and responsibilities. According to the Copyright Act, the Board shall be convened by the Chairman at such time and place as he thinks fit, or in his absence, by the acting Chairman.

7 members of the Board shall constitute a quorum. The Board shall regulate its meetings and proceedings in such manner as it thinks fit.

PRINCIPLE 2 - THE STRUCTURE OF THE BOARD AND ITS COMMITTEES

BOARD COMPOSITION

The Board consists of a Chairperson and seven members.

Mr J. George	Chairperson
Dr (Mrs)L. Luckheenarain	Representative of Ministry of Arts and Culture
Mr S. Boodhoo	Representative of Attorney-General's Office
Mr D. Captieux	Representative of Customs Department
Mr R. Beergaunot	Representative of Industrial Property Office
Mr P. Radha	Representative of Industry and Commerce
Mr J. A. Residu	Member appointed by the Minister
Mr A. Calou	Member appointed by the Minister

CHANGES ON THE BOARD DURING THE YEAR UNDER REVIEW

During the period under review, several changes occurred in the Board composition as hereunder:

Representative of Ministry of Arts and Culture	MrsP. Sohun Mrs A. Seenundun
Representative of Attorney General's Office	Ms P. Dunputh Mrs M. J. Lau Yuk Poon
Representative of Industrial Property Office	Mr S. Purmessur

BOARD COMMITTEES

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

COMMITTEE	MEMBERS
Ad-hoc	Mr R. Beergaunot (Chairperson) Mr J. A. Residu Mr A. Calou
Technical	Mr P. Radha (Chairperson) Mr R. Beergaunot Mr S. Boodhoo Mr A. Calou
Finance	Mr R. Beergaunot (Chairperson) Mr D. Captieux Mr J. A. Residu Mrs B Mulloo
Finance (As from March 2017)	Mr S. Purmessur (Chairperson) Mr J. A. Residu

Distribution	Mr D. Captieux (Chairperson) Mr A. Calou
Distribution (As from August 2016)	Mr P. Radha (Chairperson) Mr A. Calou Mr J.A. Residu
Human Resource	Mrs P. Sohun(Chairperson) Mr P. Radha Mr D. Captieux
Human Resource (As from August 2016)	Mrs A. Seenundun(Chairperson) Mr P. Radha Mr D. Captieux
Rules and Statutes	Mr D. Captieux (Chairperson) Mr P. Radha Mr R. Beergaunot Mr J. J. Arjoon Mr J. F. Chaumiere Mr A. Calou Mr M. Pareemanun Mr J. A. Residu Mr A. Martin Mr D. Anthony
Technical Committee (As from February 2017)	Mr P. Radha (Chairperson) Mr A. Calou Mr J. George Mr R. Beergaunot Mr D. Jeewooth Mr A. Arthur Mr L Lactive Mr S. Purmessur

PRINCIPLE 4 – MEMBERS' REMUNERATION

The Chairperson and other Board members are paid fees in accordance with those prescribed by the Pay Research Bureau. From January to August 2016, Committee members were paid Rs 890 per sitting and Board members Rs 1280 per sittingplus transport. From September 2016 to April 2017, Committee members were paid Rs 890 per sitting and Board members Rs 1340 per sitting plus transport

PRINCIPLE 5 – RISK GOVERNANCE AND INTERNAL CONTROL

RISK MANAGEMENT

The Board has the ultimate responsibility of managing risk. The Society ensures that adequate controls and measures are in place as well as their effectiveness to manage the most significant risk factors and to respond in a manner that is appropriate and proportional to the risks identified. Governance standards are managed through Board committees. The main risks to which the Fund is exposed during the course of its operations is depicted hereafter:

(i) **Operational risk**

Loss resulting from human factors, external event and internal processes.

(ii) **Regulatory and compliance risk**

Failure to comply with any applicable laws and regulations

(iii) **Funding and liquidity risk**

The risk of not having sufficient receipts of income to finance the Fund's operation. The risk arising from insufficient realizable financial assets to meet financial obligations as they fall due.

(iv) **Strategic and business risk**

Changes in business environment, Government regulatory decisions and client behavior.

(v) **Reputation risk**

Reputational damage by negative publicity. The objectives and mitigating actions taken are:

a) to provide personalized customer service. Continuous review of internal processes and control framework;

b) to comply with all relevant laws and regulations. Legal advice is sought as and when required; and

c) to maintain adequate liquidity levels. Maintenance and regular monitoring of investment portfolio. Adoption of cash flow management to avoid undue accumulation of maturities with the same time band.

INTERNAL AUDIT

To ensure performance of the organisation's management systems and its operational activities, the assistance of the Internal Control Unit of the Parent Ministry is being sought to report on matters such as:

(a) reliability of system and records;

(b) control of assets; and

(c) detection and prevention of malpractices

PRINCIPLE 6 - REPORTING WITH INTEGRITY

COMMUNICATION AND DISCLOSURES

The Society maintains an open-door policy with its stakeholders for ensuring optimal transparency and disclosure at all levels. The following mechanisms are used so that stakeholders are kept informed of activities:

(i) Written communication

(ii) Face-to-face meetings

(iii) Networking with institutions; and

(iv) Annual Report

RELATED PARTY TRANSACTIONS

There has been no Related Party Transactions during the year.

PRINCIPLE 7 – AUDIT

INTERNAL AUDIT

For the period under review, no audit review was conducted. However, an internal Audit team will be carrying its audit exercise.

AUDITING AND ACCOUNTING

The Board is responsible for the timely preparation of the Annual Report which includes the financial statements.

EXTERNAL AUDIT

The Society's Financial Statements are audited by the National Audit Office against a fee.

PRINCIPLE 8: RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

The Board believes and respects the interests of its stakeholders within the context of its fundamental purpose. Interactions with and feedback are given to applicants during the course of their applications through phone, letters and in person.

STATEMENT OF BOARD RESPONSIBILITIES

The Board is responsible for the overall management of the Society, ensuring that proper standards of corporate governance are maintained and are in compliance with statutory and regulatory obligations. The Board members fully understand the importance of corporate governance.

The Board is responsible for ensuring that procedures and practices are in place to protect the Society's assets and reputation. The Board is responsible for keeping proper accounting records for the purpose of recording all transactions relating to its funds and activities.

The Act also requires the preparation of financial statements for each financial year which presents fairly the financial position, financial performance and the cash flows of the Society.

The Board confirms that they have complied with the above requirements in preparing the financial statements.

All Statutory bodies specified in the schedule of the Statutory Bodies (Account and Audit) Act are required to align their financial year with that of government. Accordingly, the Society has prepared its Annual Report for 18 months period ending 30 June 2017 (January 2016 to June 2017).

Approved by the Board on 5 July 2022

1. The statements have been prepared based on records available for the period in question; and
2. The Board was managed by a previous Board for the period in question and, therefore, it cannot be held liable or accountable for any expenditures, projects or accounts during that period.

G. D. Louis
Chairperson

V.N. Boodhun
Board Member

RIGHTS MANAGEMENT SOCIETY

FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 2016 TO JUNE 2017

MAURITIUS SOCIETY OF AUTHORS

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	Notes	30-Jun-17 Rs	Restated 31-Dec-15 Rs
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	10,619,771	11,191,300
Current Assets			
Inventory	4	88,630	63,632
Trade and other receivables	5	16,944,775	17,102,226
Cash and Cash equivalent	6	74,238,362	55,148,212
Total current assets		91,271,767	72,314,070
TOTAL ASSETS		**101,891,538**	**83,505,370**
FINANCED BY:			
EQUITY AND LIABILITIES			
Equity and Reserves			
Accumulated Fund		(19,421,328)	(15,412,477)
Provident & Social Welfare Fund		13,186,343	11,309,284
Total Equity		(6,234,985)	(4,103,193)
Non-Current Liabilities			
Employee Benefits	7	10,365,612	9,359,812
Current Liabilities			
Employee Benefits	7	1,362,254	993,419
Trade and other payables	8	96,398,657	77,255,332
Total current liabilities		97,760,911	78,248,751
Total Liabilities		108,126,523	87,608,563
TOTAL EQUITY AND LIABILITIES		**101,891,538**	**83,505,370**

The Financial Statements were approved by the Board on 5 July 2022.

1. The statements have been prepared based on records available for the period in question; and
2. The Board was managed by a previous Board for the period in question and, therefore, it cannot be held liable or accountable for any expenditures, projects or accounts during that period.

G. D. Louis
Chairperson

V. N. Boodhun
Board Member

MAURITIUS SOCIETY OF AUTHORS
MASA House, Avenue des Artistes
Beau - Bassin

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MAURITIUS SOCIETY OF AUTHORS

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE PERIOD ENDED 30 JUNE 2017

	Notes	30-Jun-17	31-Dec-15
		Rs	Rs
INCOME			
Grant from Government		5,310,221	1,078,000
Interest		21,339	449,884
Income from Copyright fees and holograms	11	16,112,707	9,996,428
Other income		902,875	154,150
		22,347,142	**11,678,462**
EXPENDITURE			
Staff costs	9	17,701,569	9,823,402
Administrative Expenses	10	6,096,943	1,792,691
Chairman and Board Member fees		1,337,141	578,198
Depreciation	3	586,144	216,014
Legal and Professional Fees		576,482	54,500
Financial charges		57,714	33,692
		26,355,993	**12,498,497**
Deficit for the Period/Year		(4,008,851)	(820,035)

MAURITIUS SOCIETY OF AUTHORS

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2017

	Provident and Social Welfare Fund	Accumulated Fund	Total
	Rs	Rs	Rs
Opening balance 01 January 2015	10,234,655	(5,163,399)	5,071,256
Contribution received during the year	2,203,494	-	2,203,494
Payments made during the year	(1,128,865)	-	(1,128,865)
Deficit for the year	-	(820,035)	(820,035)
Opening balance 01 January 2016	**11,309,284**	**(5,983,434)**	**5,325,850**
Prior year adjustment:			
Assets not depreciated	-	(2,607,734)	(2,607,734)
Sick leave	-	(2,665,790)	(2,665,790)
Vacation leave	-	(1,997,300)	(1,997,300)
Passage Benefit	-	(857,940)	(857,940)
Overstatement of receivables	-	(1,302,279)	(1,302,279)
Correction of errors	-	2,000	2,000
Opening balance 01 January 2016, restated	**11,309,284**	**(15,412,477)**	**(4,103,193)**
Contribution received during the period	2,926,259	-	2,926,259
Payments made during the period	(1,049,200)	-	(1,049,200)
Deficit for the period	-	(4,008,851)	(4,008,851)
Closing balance 30 June 2017	13,186,343	(19,421,328)	(6,234,985)

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MAURITIUS SOCIETY OF AUTHORS

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2017

	30-Jun-17	31-Dec-15
	Rs	Rs
Cash flow from operating activities		
Deficit of Income over Expenditure	(4,008,851)	(820,035)
Adjustments for:		
Prior year adjustment		(5,521,030)
Depreciation	586,144	216,014
Net Cash Generated from Operating Activities	**(3,422,707)**	**(6,125,051)**
Working Capital Changes		
Increase in inventory	(24,998)	(39,770)
Decrease in Trade and other receivables	157,451	465,554
Increase in Trade and other payables	19,143,325	15,583,379
Increase in Employment Benefits	1,374,635	5,521,030
Net movement in working capital	**20,650,413**	**21,530,193**
Cash flows from investing activities		
Acquisition of Property, Plant and Equipment	(14,615)	(3,999)
Net Cash flows from investing activities	**(14,615)**	**(3,999)**
Cash flows from financing activities		
Contribution to Provident fund	2,926,259	2,203,494
Payments from provident fund	(1,049,200)	(1,128,865)
Net Cash flows from financing activities	**1,877,059**	**1,074,629**
Net increase in cash and cash equivalent	19,090,150	16,475,772
Cash and cash equivalents at beginning of year	55,148,212	38,672,440
Cash and cash equivalents at end of period	**74,238,362**	**55,148,212**

MAURITIUS SOCIETY OF AUTHORS
MASA House, Avenue des Artistes
Beau - Bassin

MAURITIUS SOCIETY OF AUTHORS

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The MAURITIUS SOCIETY OF AUTHORS (the Society) was established by the Copyright Act 1986 and it operates under the aegis of the Ministry of Arts and Cultural Heritage.

The functions of the Society, as amended by the Copyright Amendment Act 2017, are to: -

(a) collect copyright fees and charges from the users of a work, on behalf of its members, and distribute those fees among the members;

(b) determine the criteria for, and classes of, membership of the Society;

(c) represent and defend the interests of its members in Mauritius and abroad;

(d) contribute, by all appropriate means, to the promotion of national creativity in the artistic, literary and scientific fields;

(e) administer within Mauritius such economic rights of its members as it may determine;

(f) negotiate with any users of a work the conditions of, and the fees and charges to be paid for, the authorisation to be given to do an act covered by any economic rights and/or the amount of equitable remuneration where the right to such remuneration is administered by the Society;

(g) grant any authorisation which it is permitted to give under this Act;

(h) enter into reciprocal agreements with foreign collective management organisations for the issue of exclusive authorisation in respect of their members' works and for the collection and distribution of copyright fees deriving from those works;

(i) endeavour to obtain the transfer of membership of Mauritian authors who are members of foreign collective management organisations and safeguard in favour of the Mauritian authors whose membership has been transferred, all the advantages which may have accrued to them before the transfer;

(j) enter into contracts with relevant persons, for the benefit of its members, regarding the use of the works of the members;

(k) foster such harmony and understanding between copyright owners and the users of their works as may be necessary for the protection of the economic rights of the authors;

(l) provide its members with information or advice on all matters relating to copyright; and

(m) establish and administer a Provident Fund and a Benevolent Fund for its members and their heirs.

The business address of the Society is at the NPF Building, Sholto Douglas Street, Port Louis.

MAURITIUS SOCIETY OF AUTHORS

2. ACCOUNTING POLICIES

The principal accounting policies adopted by the Society are as follows:

(a) **Reporting Entity**
The reporting entity is the MAURITIUS SOCIETY OF AUTHORS.

(b) **Reporting Period**
The reporting period for these financial statements is the period ended 30 June 2017.

(c) **Basis of Preparation**
The Accounts have been prepared under the historical cost convention and the accrual basis. The going concern basis has been adopted.

(d) **Functional Currency**
These financial statements are presented in Mauritian Rupees (Rs), which is the functional currency of the Society. All amounts have been rounded to the nearest rupees.

(e) **Consistency of Presentation**
Figures of last year conform to the current period's presentation under the new requirement of Financial Reporting Standards for Small Entities (FRSSE) for Statutory Bodies specified in Part II Second Schedule of the Statutory Bodies (Accounts and Audit) Act.

(c) **Comparative Figures**
The figures of last year relate to a 12-month period as compared to the current period ended 30 June 2017 which is 18 months.

(d) **Property, Plant and Equipment**
Property, Plant and Equipment are stated at cost or valuation, net of accumulated depreciation.
Depreciation is the systematic allocation of funds representing the use of an asset over its useful life. The useful life is the period over which the entity is expected to use the asset. The useful life of each asset shall be determined.
The residual value is defined as the amount that an entity would currently obtain from disposing the asset:
(i) after deducting the estimated costs of disposals; or
(ii) if it was at the age and condition expected at the end of its useful life
The residual value of the asset shall be estimated as an entity does not normally depreciate to zero. However, residual value can only be ignored if it is significant.

2. ACCOUNTING POLICIES (CONTINUED)

(d) **Property, Plant and Equipment (Continued)**

The depreciation charged for each item and for each period shall be recognized in the Statement of Profit or Loss for the period. Depreciation is provided on the straight-line basis so as to write off the depreciable value of the assets over their expected useful economic lives.

The annual rates of depreciation used for the purpose are as follows:

Building and renovation works	2%	Office Equipment	15%
Repertoire de la presse	50%	Office Furniture	10%
Motor vehicles	20%	Computer Equipment	25%

(e) **Inventory**

Inventory have been valued at cost and net realizable value. Net realizable value means the net amount that the entity will realise from the sale of the inventories. Cost shall comprise of all costs incurred in bringing the inventories to its location and condition. Such costs include purchase costs, conversion costs, and other costs.

(f) **Cash and Cash equivalents**

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

(g) **Provisions**

A provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

(h) **Employee Benefits**

Provisions for retirement benefits for the entity are made in accordance with the Statutory Bodies Pension Act 1978 as amended, or the Employment Rights Act 2008 as amended (as applicable)

(i) **Revenue Recognition**

Income

Income received from core activities is being recognized on a cash basis as income and are matched against the recurrent expenses of the entity.

2. ACCOUNTING POLICIES (CONTINUED)

(i) Revenue Recognition (Continued)

Income (continued)

Interest and other income are recognized on an accrual basis.

Government Grant

The revenue necessary to finance the expenditure of MASA is derived from the National Assembly by means of the Annual Estimates and the corresponding Appropriation Act. Government recurrent grant is recognized to the extent that expenditure has been incurred.

Capital Grant is recognized as a deferred income in the Statement of Financial Position and is released to the Statement of Financial Performance over the life of the assets.

(j) Expenses

Expenses are charged to the Statement of Financial Performance in the period in which they are incurred.

(k) Related Party Transaction

The Society 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 Society, or vice versa.

MAURITIUS SOCIETY OF AUTHORS

3. PROPERTY, PLANT AND EQUIPMENT

	Land	Building	Repertoire	Motor vehicle	Repertoire de la presse	Renovation Works	Office Equipment & Website	Office Furniture	Computer Equipment	Total
COST	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)
Balance as at 1 January 2016	1,513,409	4,439,330	390,000	805,000	140,000	6,411,193	2,584,308	1,736,625	642,864	18,662,729
Additions during the year	-	-	-	-	-	-	14,615	-	-	14,615
Balance as at 30 June 2017	**1,513,409**	**4,439,330**	**390,000**	**805,000**	**140,000**	**6,411,193**	**2,598,923**	**1,736,625**	**642,864**	**18,677,344**
DEPRECIATION										
Balance as at 1 January 2016	-	-	-	805,000	-	-	2,580,709	1,477,986	-	4,863,695
Prior year adjustment	-	799,079	-	-	140,000	1,025,791	-	-	642,864	2,607,734
Balance as at 1 January 2016 restated	-	799,079	-	805,000	140,000	1,025,791	2,580,709	1,477,986	642,864	7,471,429
Charge for the year	-	133,180	-	-	-	192,336	1,989	258,639	-	586,144
Balance as at 30 June 2017	**-**	**932,259**	**-**	**805,000**	**140,000**	**1,218,127**	**2,582,698**	**1,736,625**	**642,864**	**8,057,573**
Net Book Value as at 30 June 2017	**1,513,409**	**3,507,071**	**390,000**	**-**	**-**	**5,193,066**	**16,225**	**-**	**-**	**10,619,771**
Net Book Value as at 01 January 2016 restated	1,513,409	3,640,251	390,000	-	-	5,385,402	3,599	258,639	-	11,191,300

MAURITIUS SOCIETY OF AUTHORS

4. INVENTORY

	30-Jun-17	31-Dec-15
	Rs	Rs
At 01 July	63,632	23,862
Movement	24,998	39,770
At 30 June	88,630	63,632

5. TRADE AND OTHER RECEIVABLES

	30-Jun-17	Restated 31-Dec-15
	Rs	Rs
Grant from Government	10,500,000	10,500,000
Copyright fees and Holograms	5,989,223	6,044,765
Loans and Advances from Artists	390,863	426,409
Other receivables	64,689	131,052
Closing balance	16,944,775	17,102,226

6. CASH AND CASH EQUIVALENTS

	30-Jun-17	31-Dec-15
	Rs	Rs
Cash at bank	74,225,119	55,137,934
Petty Cash	13,243	10,278
Closing balance	74,238,362	55,148,212

7. EMPLOYEE BENEFITS

	30-Jun-17	Restated 31-Dec-15
	Rs	Rs
Classified under Current Liabilities		
Sick leaves obligations	216,015	135,479
Vacation leaves obligations	-	-
Passage benefit obligations	1,146,239	857,940
	1,362,254	993,419
Classified under Non- current liabilities		
Retirement benefit obligations	4,832,201	4,832,201
Sick leaves obligations	3,199,977	2,530,311
Vacation leaves obligations	2,333,434	1,997,300
	10,365,612	9,359,812
Total	11,727,866	10,353,231

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		30-Jun-17	31-Dec-15
8.	TRADE AND OTHER PAYABLES	Rs	Rs
	Undistributed copyright rights	96,064,710	77,037,492
	Accruals and Supply creditors	333,947	217,840
	Closing balance	**96,398,657**	**77,255,332**

		30-Jun-17	31-Dec-15
9.	STAFF COSTS	Rs	Rs
	Salaries, bonuses & allowances	12,084,936	7,648,246
	Travelling and Transport	841,923	540,824
	Pension Contribution and FPS	2,488,821	1,343,907
	National Savings Fund	186,901	118,540
	Staff Welfare and other benefits	21,900	111,670
	Passage Benefit	580,734	60,215
	Sick leaves	1,160,220	-
	Vacation leaves	336,134	-
		17,701,569	9,823,402

		30-Jun-17	31-Dec-15
		Rs	Rs
10.	ADMINISTRATIVE EXPENSES		
	Rent	134,441	80,500
	Office expenses	256,499	116,898
	Telephone and fax	385,627	242,342
	Electricity and Water	284,007	215,960
	Repairs and maintenance	268,765	87,499
	Printing and Stationery	464,323	225,130
	Insurance-General	14,297	55,103
	Car running expenses	10,000	65,380
	Overseas mission	119,538	142,300
	Holograms and stamps	(35,425)	26,975
	Security	429,933	223,766
	Advertising	177,261	75,073
	Hired Transport	214,250	7,649
	Overheads	3,373,427	228,116
		6,096,943	1,792,691

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11. INCOME FROM COPYRIGHT FEES AND HOLOGRAMS

	30-Jun-17	31-Dec-15
	Rs	Rs
Total collections during the year:		
Copyright fees	45,363,923	31,705,277
Hologram	1,797,770	1,041,661
Contribution to Provident Fund (7%)	(2,926,259)	(2,203,494)
Distributable to artists:		
Copyright fees	(26,854,205)	(19,831,442)
Hologram	(1,268,522)	(715,574)
MASA share:		
Copyright fees	15,583,459	9,670,341
Hologram	529,248	326,087
Total	**16,112,707**	**9,996,428**

12. RESTATEMENT

Comparative figures for year ended 31 December 2015 have been restated to make adjustment for misstatements as highlighted by previous year audits.

The effect of the restatement on the financial statements is as follows:

Effect of Restatement on Statement of Financial Position:

	Note	*31-Dec-15 (Rs)*	*Restated 31-Dec-15 (Rs)*	*Increase/ (Decrease) (Rs)*
Property, Plant and Equipment	4	13,799,034	11,191,300	(2,607,734)
Trade and other Receivables	5	18,404,505	17,102,226	(1,365,911)
Employee benefits	7	4,832,201	10,353,231	(5,521,030)
Accumulated Fund		(5,981,434)	(15,412,477)	9,431,043

12. RESTATEMENT (CONTINUED)

Effect of Restatement on Accumulated Fund:

	Note	*31-Dec-15 (Rs)*	*31-Dec-15 Restated (Rs)*	*Increase/ (Decrease) (Rs)*
Opening balance		(5,163,399)	(5,163,399)	-
Deficit for the year		(820,035)	(820,035)	-
Adjustment for depreciation		-	(2,607,734)	(2,607,734)
Adjustment for Sick leave		-	(2,665,790)	(2,665,790)
Adjustment for Vacation leave		-	(1,997,300)	(1,997,300)
Adjustment for Passage Benefit		-	(857,940)	(857,940)
Overstatement of receivables		-	(1,302,279)	(1,302,279)
Correction of casting errors		-	2,000	2,000
Closing balance		(5,981,434)	(15,412,477)	9,431,043

13. RELATED PARTY TRANSACTION

The Society is making the following disclosures in respect of related party transactions:

	30-Jun-17 Rs	31-Dec-15 Rs
Remuneration		
Chairman and Board Member Fees	1,337,141	578,198

14. EVENTS AFTER REPORTING DATE

(i) There have been no material events after the reporting date which would require disclosure or adjustments to the financial statements for the period ended 30 June 2017.

(ii) Following audit of the accounts of the Society, overpayments of Responsibility Allowances totaling Rs 553,591 were identified. At its meeting of 11 July 2023, the Society's board has agreed that the excess payments of responsibility allowance effected in the past, where applicable, would not be considered.

MAURITIUS SOCIETY OF AUTHORS
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