

MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT

Circular No. 5 of 2013

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19 April 2013

From: Financial Secretary

To: Supervising Officers-in-Charge of Ministries/Departments and Accounting Officers

FINANCIAL MANAGEMENT KIT (FM KIT)

Financial Instructions No 2 of 2013

Volume VI-Internal Audit Policy and Operations Manual of the Financial Management Kit

The purpose of this circular is to inform you of the newly developed Internal Audit Policy and Operations Manual which will be issued as Volume VI of the Financial Management Kit.

2. As you are aware, internal audit function in the Government is carried out by the Internal Control Cadre (ICC) which is under the aegis of this Ministry. Up to now, Internal Control Officers (ICOs) have been using the procedures laid down in Volume 40 of the Financial Management Manual (FMM) 1990 to carry out their auditing function.
3. With a view to catering for recent developments in the area of auditing and also in public financial management, the Financial Management Review Committee (FMRC) has prepared a new Internal Audit Policy and Operations Manual, which will replace Volume 40 of the FMM 1990 and will be known as Volume VI of the Financial Management Kit. These new policies and procedures are in line with the standards and guidelines contained in the document "Essentials: An Internal Audit Operational Manual" of the Institute of Internal Auditors (IIA) Research Foundation.
4. The new Internal Audit Policy and Operations Manual has been developed to provide ICOs updated guidance in the conduct of audits in an efficient and effective manner. It outlines revised policies, standards, and procedures that will henceforth govern the internal audit function. ICOs must comply with the provisions contained therein and should also follow the detailed procedures laid down in the Internal Audit Standard Operational Procedure Manual (IASOPM). The new manual has been finalised after consultations with the Director of Audit.
5. We also wish to draw your attention that certain changes have been made to the duties and responsibilities of the Director, Internal Control, and these amendments have been incorporated in Volume I-Duties and Responsibilities in Management of Public Finance which was issued in January 2011.

6. Volume VI-Internal Audit Policy and Operations Manual, Internal Audit Standard Operational Procedure Manual and the amended Volume I-Duties and Responsibilities in Management of Public Finance are posted on MOFED Website <http://mof.gov.mu/>.

7. You are requested to ensure compliance with the revised internal audit policy and procedures as laid down in Volume VI-Internal Audit Policy and Operations Manual of the FM Kit.



P. Yip Wang Wing
Ag. Financial Secretary

Copy to:

- (i) Secretary to Cabinet and Head of the Civil Service
- (ii) Director of Audit
- (iii) Accountant-General
- (iv) Directors, Economic and Finance, MOFED
- (v) Director, Internal Control
- (vi) Officers-in-Charge of Internal Control Unit in Ministries/Departments
- (vii) Group Mangers, MOFED
- (viii) Cluster Leaders and Team members, MOFED