Circular No 11 of 2019

MY REF : CF 40/30/11 V4
From : Financial Secretary
To : Supervising Officers-in-Charge of Ministries/Departments and Accounting Officers

SUBJECT : Amendments to Statutory Bodies (Accounts and Audit) Act made in the Finance (Miscellaneous Provisions) Act 2019

The Statutory Bodies (Accounts & Audit) Act has been amended in the Finance (Miscellaneous Provisions) Act 2019 with a view to strengthening accountability and transparency in the area of public financial management with respect to statutory bodies.

2. The sections where amendments have been brought to the Statutory Bodies (Accounts & Audit) Act are enclosed for your information. The main changes refer to the following:

(a) **Performance Agreement**

Every statutory body specified in the First Schedule to the Act is required to prepare and agree with its Ministry a performance agreement, not later than **15th June** instead of 1st April in every year.

(b) **Application of surplus amount or accumulated revenue reserve**

Where the financial statements of a statutory body show an operating surplus or accumulated revenue reserve, the Board of the statutory body shall, at the request of the Minister responsible for the subject of finance, remit the surplus or accumulated revenue reserve into the Consolidated Fund or invest in Treasury Certificates or other Government securities.

(c) **Gender Representation on Board**

With a view to have a fair gender balance on the boards of directors and better women representation, Public Companies and Statutory Bodies are required to have at least one woman on their board of directors. In that respect, you are kindly requested to ensure that this measure is implemented as soon as practicable but before 4th November 2019.
(d) **Submission of annual report**

Statutory Bodies are now required to include in their Annual Report itself (i) a report on their performance in respect of the previous financial year; and (ii) their strategic direction in respect of the following 3 financial years. Accordingly, Section 4A (1) pertaining to the requirement to produce a separate Report on Performance is being removed.

(e) **Schedules**

Some amendments have been made in the First and Second Schedules to clarify for some Statutory Bodies as to which accounting standards they must comply with.

3. I am directed to kindly request you to relay the contents of this Circular to the attention of Chairperson and members of Boards/Councils and Chief Executive Officers of statutory bodies under the aegis of your Ministry.

[Signature]

A. Acharuz

*for Financial Secretary*
Extracts from the Statutory Bodies (Accounts and Audit) Act following amendments made in the Finance (Miscellaneous Provisions) Act 2019

49. Statutory Bodies (Accounts and Audit) Act amended

The Statutory Bodies (Accounts and Audit) Act is amended –

(a) in section 4A –

(i) by deleting the heading and replacing it by the following heading –

Performance Agreement

(ii) by repealing subsection (1);

(iii) in subsection (2), by deleting the words “1 April” and replacing them by the words “15 June”;

(b) by repealing section 4C and replacing it by the following section –

4C. Application of surplus amount or accumulated revenue reserve

Notwithstanding any other enactment establishing a statutory body, where the financial statements of the statutory body show an operating surplus or accumulated revenue reserve, the Board shall, at the request of the Minister responsible for the subject of finance, remit the surplus or accumulated revenue reserve into the Consolidated Fund or invest in Treasury Certificates or other Government securities.

(c) by inserting, after section 4C, the following new section –

4D. Gender representation on Board

Notwithstanding any other enactment establishing a statutory body, there shall be, on every Board, at least one woman as member of the Board.

(d) in section 6A(2) –

(i) by repealing paragraph (b) and replacing it by the following paragraph –
(b) a report on the performance of the statutory body in respect of the previous financial year;

(ii) by adding the following new paragraph, the full stop at the end of paragraph (c) being deleted and replaced by the words “; and” –

(d) the strategic direction of the statutory body in respect of the following 3 financial years.

(e) in the First Schedule –

(i) in the first column, in item “Private Secondary Schools Authority”, by deleting the word “Schools” and replacing it by the word “Education”;

(ii) by deleting item “Small and Medium Enterprises Development Authority” and its corresponding entry;

(iii) by deleting item “Rights Management Society” and its corresponding entry;

(iv) by inserting, in the appropriate alphabetical order, the following new items and their corresponding entries – Land Drainage Authority

<table>
<thead>
<tr>
<th>Land Drainage Authority</th>
<th>Land Drainage Authority Act 2017</th>
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</thead>
<tbody>
<tr>
<td>Manufacturing Sector</td>
<td>Manufacturing Sector Act 2017</td>
</tr>
<tr>
<td>Workers Welfare Fund</td>
<td>Workers Welfare Fund Act</td>
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<tr>
<td>Mauritius Society for Animal Welfare</td>
<td>Mauritius Society for Animal Welfare Act</td>
</tr>
<tr>
<td>Mauritius Society of Authors</td>
<td>Copyright Act 2017</td>
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<tr>
<td>National Wage Consultative Council</td>
<td>National Wage Consultative Council Act</td>
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</tbody>
</table>

(f) in the Second Schedule –

(i) in Part I –

(A) in the first column, in item “Private Secondary Schools Authority”, by deleting the word “Schools” and replacing it by the word “Education”;
B) by deleting item “Small and Medium Enterprises Development Authority” and its corresponding entry;

C) by inserting, in the appropriate alphabetical order, the following new items and their corresponding entries –

<table>
<thead>
<tr>
<th>Insurance Industry Compensation Fund</th>
<th>Insurance Act</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Drainage Authority</td>
<td>Land Drainage Authority Act 2017</td>
</tr>
<tr>
<td>Mauritius Renewable Energy Agency</td>
<td>Mauritius Renewable Energy Agency Act</td>
</tr>
<tr>
<td>Open University of Mauritius</td>
<td>Open University of Mauritius Act</td>
</tr>
</tbody>
</table>

(ii) in Part II –

(A) by deleting the following item and its corresponding entry –

| Mauritius Cane Industry Authority | Mauritius Cane Industry Authority Act |

(B) by inserting, in the appropriate alphabetical order, the following new items and their corresponding entries –

<table>
<thead>
<tr>
<th>Arabic-speaking Union</th>
<th>Arabic-speaking Union Act</th>
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</thead>
<tbody>
<tr>
<td>Bhojpuri-speaking Union</td>
<td>Bhojpuri-speaking Union Act</td>
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<tr>
<td>Chinese-speaking Union</td>
<td>Chinese-speaking Union Act</td>
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<tr>
<td>Creole-speaking Union Utility Regulatory Authority</td>
<td>Creole-speaking Union Act Utility Regulatory Authority Act</td>
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