



MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT

Government Centre, Port Louis, Mauritius

Circular No 13 of 2017

MY REF : CF 40/30/11 V3 Date: 30 November 2017
From : Financial Secretary
To : Supervising Officers-in-Charge of Ministries/Departments and Accounting
Officers

SUBJECT : Amendments to Statutory Bodies (Accounts and Audit) Act and Financial
Reporting Act made in Finance (Miscellaneous Provisions) Act 2017

The Statutory Bodies (Accounts & Audit) Act and the Financial Reporting Act have been amended in the Finance (Miscellaneous Provisions) Act 2017 with a view to strengthening accountability and transparency in public financial management relating to statutory bodies.

2. Please find attached extracts from the Statutory Bodies (Accounts & Audit) Act (Annex I) and the Financial Reporting Act (Annex II) where amendments have been brought by the Finance (Miscellaneous Provisions) Act 2017.

Statutory Bodies (Accounts & Audit) Act

Performance Agreement

3. 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 1 April in every year, in respect of the next financial year, incorporating its key performance indicators on its targeted output.

4. The first performance agreement, as per format at Annex III must be made not later than 1 April 2018 in respect of the financial year 2018-2019.

Annual estimates

5. In the preparation of Annual Estimates, the statutory body should ensure that it does not enter into financial obligations in excess of its present and future financial capacity. In this context, the statutory body is advised to monitor its accounting ratios such as liquidity, solvency, profitability, repayment capacity or financial efficiency and ensure that it is on track.

Submission of annual report

6. The chief executive officer of a statutory body is now required to submit its annual report to the auditor, not later than 4 months after the end of every financial year.

Disciplinary action for non-compliance

7. Where the chief executive officer, or any other officer, of a statutory body does not properly perform his duties with the result that the requirements relating to report on performance, time limit for the submission of annual estimates, and annual report are not complied with, the Board of the statutory body may, after giving an opportunity for the officer to be heard, take appropriate disciplinary action against the officer.

8. Following the amendment made, the supervising officer of the Ministry will now have the authority to monitor any disciplinary action taken by the Board.

Remuneration and fringe benefits of staff of statutory body

9. Following the new provision of section 7B, the remuneration and fringe benefits of the staff of a statutory body will be governed by that provision. Where the Board determines that the remuneration and fringe benefits shall be different from those governed by the Pay Research Bureau, it will have to seek the concurrence of the high-powered committee and the written approval of the Minister to whom responsibility for the statutory body concerned is assigned. However, employees when offered a reviewed salary and/or other terms and conditions of employment will need to opt for those terms, subject to any future review of salaries being governed by the terms of section 7B.

10. Section 7B also provides that every review of the conditions of service of a statutory body shall, subject to any collective agreement signed before the commencement of that section, i.e 24 July 2017, be made every 5 years.

11. Where the collective agreement provides that the review period of the conditions of service is less than 5 years, the statutory body must ascertain the validity period specified in the collective agreement to enable it to determine the date of the review period.

12. Where pursuant to any other agreement entered into by the statutory body and its employees or a recognised trade union or any other document or correspondence exchanged between the statutory body and its employees or a recognised trade union, the employees have an acquired right to a salary review exercise to a periodic review of less than 5 years, the Board of the statutory body will have to determine whether it will proceed with the review exercise within a shorter review period.

13. Where a review of the conditions of service has been made and implemented before 24 July 2017, the 5-year period shall on 24 July 2017 be deemed to start as from the date of the last review, e.g where the last review was made and implemented on 1 July 2014, the next review can only be made and implemented on 1 July 2019.

Financial Reporting Act

14. To ensure consistency in the application of accounting standard in the Public Sector and in line with Government reform to develop a modern accounting and reporting framework, the Financial Reporting Act has been amended to provide that the 16 Public Interest Entities (PIEs) which are also listed in the Statutory Bodies (Accounts & Audit) Act to prepare their Financial Statements under accrual IPSAS for financial year 2017-2018. A list of the 16 PIEs is at Annex II and they are specified in the first column of the Third Schedule of the Financial Reporting Act.

15. 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.



A. Acharuz
for Financial Secretary

Extracts from the Statutory Bodies (Accounts and Audit) Act
following amendments made in the
Finance (Miscellaneous Provisions) Act 2017

4A. Report on performance

(1) Every statutory body shall, not later than 31 October in every year, submit to the Minister a report on its performance in respect of the previous financial year and on its strategic direction in respect of the following 3 financial years.

(2) Every statutory body shall, not later than 1 April in every year, in respect of the next financial year, mutually agree with the Ministry on, and have in place, a performance agreement which shall include key performance indicators on the targeted output of the statutory body.

[Inserted 26/2013, Repealed and Replaced 1/2015, Amended 10/2017]

4B. Annual estimates

(1) Every statutory body shall, not later than 28 February in every year, submit to the Minister, in respect of the following financial year, estimates of income and expenditure, both recurrent and capital, prepared on a 3-financial year rolling basis, the estimates for the first year of every such period of 3 financial years requiring approval by the Minister.

(2) Every statutory body shall, in the preparation of the estimates referred to in subsection (1), ensure that it does not enter into financial obligations in excess of its present and future financial capacity.

[Added 1/2009, 20/2009, 26/2013, Repealed and Replaced 1/2015, amended 10/2017]

7. Submission of annual report

(1) The chief executive officer of every statutory body shall, not later than 3 months after the end of every financial year, submit to the Board for approval the annual report referred to in section 6A in respect of that year.

(2) After approval by the Board, the chief executive officer shall, not later than 4 months after the end of every financial year, submit the annual report to the auditor.

(3) The auditor shall, within 6 months of the date of receipt of the annual report pursuant to subsection (2), submit the annual report and his audit report to the Board.

[Amended 1/2009, 10/2010, 38/2011, 10/2017]

7A. Disciplinary action for non-compliance

(1) Where, in the opinion of the Board, the chief executive officer or any other officer of a statutory body –

- (a) has not properly performed his duties with the result that the requirements of sections 4A, 4B, 6A and 7(1) and (2) cannot be complied with within the prescribed time; or
- (b) does not comply with any other provision of this Act or the enactment establishing the statutory body,

the Board may, after giving an opportunity for the officer to be heard, take appropriate disciplinary action against the officer.

(2) The supervising officer of the Ministry shall monitor any disciplinary action taken under subsection (1).

[Added 1/2009, amended 10/2010, 26/2013, 10/2017]

7B. Remuneration and fringe benefits of staff of statutory body

(1) Subject to this section, the remuneration and fringe benefits of the staff of a statutory body shall be governed by the Pay Research Bureau.

(2) Where Cabinet has taken note that a statutory body shall not fall within the purview of the Pay Research Bureau, the Board of that statutory body shall, in respect of remuneration and fringe benefits of its staff, seek the approval of the high-powered committee.

(3) Where the Board of a statutory body determines that the remuneration and fringe benefits of its staff shall be different from those governed by the Pay Research Bureau, the Board shall seek the prior written approval of the Minister, subject to the concurrence of the high-powered committee.

(4) Subject to subsection (5), every review of the conditions of service of a statutory body shall, subject to any collective agreement signed before the commencement of this section, be made every 5 years.

(5) Where, before the commencement of subsection (4), a review of the conditions of service has been made and implemented, the 5-year period shall, on the commencement of subsection (4), be deemed to start as from the date of the last review.

(6) In this section –

“high-powered committee” means a committee –

- (a) chaired by the Secretary to Cabinet and Head of the Civil Service or his representative; and
- (b) comprising –
 - (i) the Financial Secretary or his representative;
 - (ii) the Senior Chief Executive of the Ministry responsible for the subject of civil service or his representative; and
 - (iii) the Director, Pay Research Bureau, or his representative.

[Inserted 10/2017]

FIRST SCHEDULE

[Section 2]

STATUTORY BODIES

Body	Established/Set up under the –
Apravasi Ghat Trust Fund	Apravasi Ghat Trust Fund Act
Agricultural Marketing Board	Mauritius Agricultural Marketing Act
Arabic-speaking Union	Arabic-speaking Union Act
Beach Authority	Beach Authority Act
Bhojpuri-speaking Union	Bhojpuri-speaking Union Act
Board of Investment	Investment Promotion Act
Bus Industry Employees Welfare Fund	Bus Industry Employees Welfare Fund Act
Central Electricity Board	Central Electricity Board Act
Central Water Authority	Central Water Authority Act
Chagossian Welfare Fund	Chagossian Welfare Fund Act
Chinese-speaking Union	Chinese-speaking Union Act
Civil Service Family Protection Scheme Board	Civil Service Family Protection Scheme Act
Competition Commission	Competition Act
Conservatoire National de Musique François Mitterrand Trust Fund	Conservatoire National de Musique François Mitterrand Trust Fund Act
Construction Industry Development Board	Construction Industry Development Board Act
Creole-speaking Union	Creole-speaking Union Act
Early Childhood Care and Education Authority	Early Childhood Care and Education Authority Act
Employees' Welfare Fund	Employees' Welfare Fund Act

English-speaking Union	English-speaking Union Act
Export Processing Zones Development Authority	Export Processing Zones Development Authority Act
Fashion and Design Institute	Fashion and Design Institute Act
Financial Reporting Council	Financial Reporting Council Act
Financial Services Commission	Financial Services Act
Fishermen Investment Trust	Fishermen Investment Trust Act
Fishermen Welfare Fund	Fishermen Welfare Fund Act
Food and Agricultural Research and Extension Institute	Food and Agricultural Research and Extension Institute Act
Gambling Regulatory Authority	Gambling Regulatory Authority Act
Hindi-speaking Union	Hindi-speaking Union Act
Human Resource Development Council	Human Resource Development Act
Independent Broadcasting Authority	Independent Broadcasting Authority Act
Information and Communication Technologies Authority	Information and Communication Technologies Act
Irrigation Authority	Irrigation Authority Act
Islamic Cultural Centre Trust Fund	Islamic Cultural Centre Trust Fund Act
Law Reform Commission	Law Reform Commission Act
Le Morne Heritage Trust Fund	Le Morne Heritage Trust Fund Act
Loïs Lagesse Trust Fund	Loïs Lagesse Trust Fund Act
Mahatma Gandhi Institute	Mahatma Gandhi Institute Act
Malcolm de Chazal Trust Fund	Malcolm de Chazal Trust Fund Act
Marathi-speaking Union	Marathi-speaking Union Act
Mauritian Cultural Centre Trust	Mauritian Cultural Centre Trust Act
Mauritius Broadcasting Corporation	Mauritius Broadcasting Corporation Act
Mauritius Cane Industry Authority	Mauritius Cane Industry Authority Act
Mauritius Council of Registered Librarians	Mauritius Council of Registered Librarians Act
Mauritius Examinations Syndicate	Mauritius Examinations Syndicate Act
Mauritius Ex-Services Trust Fund	Mauritius Ex-Services Trust Fund Act
Mauritius Film Development Corporation	Mauritius Film Development Corporation Act
Mauritius Institute of Education	Mauritius Institute of Education Act
Mauritius Institute of Health	Mauritius Institute of Health Act
Mauritius Institute of Training and Development	Mauritius Institute of Training and Development Act
Mauritius Marathi Cultural Centre Trust	Mauritius Marathi Cultural Centre Trust Act
Mauritius Meat Authority	Meat Act
Mauritius Museums Council	Mauritius Museums Council Act
Mauritius Oceanography Institute	Mauritius Oceanography Institute Act
Mauritius Ports Authority	Ports Act
Mauritius Qualifications Authority	Mauritius Qualifications Authority Act
Mauritius Renewable Energy Agency	Mauritius Renewable Energy Agency Act
Mauritius Research Council	Mauritius Research Council Act
Mauritius Revenue Authority	Mauritius Revenue Authority Act

Mauritius Sports Council	Sports Act
Mauritius Standards Bureau	Mauritius Standards Bureau Act
Mauritius Tamil Cultural Centre Trust	Mauritius Tamil Cultural Centre Trust Act
Mauritius Telugu Cultural Centre Trust	Mauritius Telugu Cultural Centre Trust Act
Mauritius Tourism Promotion Authority	Mauritius Tourism Promotion Authority Act
Media Trust	Media Trust Act
National Adoption Council	National Adoption Council Act
National Agency for the Treatment and Rehabilitation of Substance Abusers	National Agency for the Treatment and Rehabilitation of Substance Abusers Act
National Art Gallery	National Art Gallery Act
National Children's Council	National Children's Council Act
National Computer Board	National Computer Board Act
National Council for the Rehabilitation of Disabled Persons	National Council for the Rehabilitation of Disabled Persons Act
National Economic and Social Council	National Economic and Social Council Act
National Heritage Fund	National Heritage Fund Act
National Institute for Co-operative Entrepreneurship	Co-operatives Act
National Library	National Library Act
National Productivity and Competitiveness Council	National Productivity and Competitiveness Council Act
National Solidarity Fund	National Solidarity Fund Act
National Transport Corporation	National Transport Corporation Act
National Women's Council	National Women's Council Act
National Women Entrepreneur Council	National Women Entrepreneur Council Act
National Youth Council	National Youth Council Act
Nelson Mandela Centre for African Culture Trust Fund	Nelson Mandela Centre for African Culture Trust Fund Act
Open University of Mauritius	Open University of Mauritius Act
Outer Islands Development Corporation	Outer Islands Development Corporation Act
Private Secondary Schools Authority	Private Secondary Schools Authority Act
Professor Basdeo Bissoondoyal Trust Fund	Professor Basdeo Bissoondoyal Trust Fund Act
Public Officers' Welfare Council	Public Officers' Welfare Council Act
Rabindranath Tagore Institute	Rabindranath Tagore Institute Act
Rajiv Gandhi Science Centre Trust Fund	Rajiv Gandhi Science Centre Trust Fund Act
Ramayana Centre	Ramayana Centre Act
Rights Management Society	Copyright Act 2014
Road Development Authority	Road Development Authority Act
Rose Belle Sugar Estate Board	Rose Belle Sugar Estate Board Act
Sanskrit-speaking Union	Sanskrit-speaking Union Act
Seafarers' Welfare Fund	Seafarers' Welfare Fund Act
Senior Citizens Council	Senior Citizens Council Act
Sir Seewoosagur Ramgoolam Botanic Garden Trust	Sir Seewoosagur Ramgoolam Botanic Garden Trust Act

Sir Seewoosagur Ramgoolam Foundation	Sir Seewoosagur Ramgoolam Foundation Act
Small Farmers Welfare Fund	Small Farmers Welfare Fund Act
Small and Medium Enterprises Development Authority	Small and Medium Enterprises Development Authority Act
St Antoine Planters Co-operative Trust	St Antoine Planters Co-operative Trust Act
State Trading Corporation	State Trading Corporation Act
Sugar Cane Planters Trust	Sugar Cane Planters Trust Act
Sugar Industry Labour Welfare Fund Committee	Sugar Industry Labour Welfare Fund Act
Sugar Insurance Fund Board	Sugar Insurance Fund Act
Tamil-speaking Union	Tamil-speaking Union Act
Telugu-speaking Union	Telugu-speaking Union Act
Tertiary Education Commission	Tertiary Education Commission Act
Tourism Authority	Tourism Authority Act
Tourism Employees Welfare Fund	Tourism Employees Welfare Fund Act
Town and Country Planning Board	Town and Country Planning Act
Trade Union Trust Fund	Trade Union Trust Fund Act
Training and Employment of Disabled Persons Board	Training and Employment of Disabled Persons Act
Trust Fund for Specialised Medical Care	Trust Fund for Specialised Medical Care Act
Université des Mascareignes	Université des Mascareignes Act
University of Mauritius	University of Mauritius Act
University of Technology, Mauritius	University of Technology, Mauritius Act
Urdu-speaking Union	Urdu-speaking Union Act
Vallée d'Osterlog Endemic Garden Foundation	Vallée d'Osterlog Endemic Garden Foundation Act
Waste Water Management Authority	Waste Water Management Authority Act
World Hindi Secretariat	World Hindi Secretariat Act

[Repealed and replaced by Act 1/2009, Amended 14/2009, 20/2009, 10/2010, Act 40/2011, GN 160/2012, GN 198/2012, Act 27/2012, Act 26/2013, Repealed and Replaced 1/2015, 18/2016]

Extracts from the Financial Reporting Act following amendments made in the Finance (Miscellaneous Provisions) Act 2017

75. Compliance by public interest entities

(1) Where a public interest entity is required under any enactment to prepare a financial statement or report, it shall ensure that the financial statement or report is in compliance with the financial reporting requirements of this Act or any other relevant enactment, any regulations or rules made under this Act and with the IFRS.

(1A) Notwithstanding subsection (1), the entities specified in the first column of the Third Schedule shall prepare financial statements in compliance with the International Public Sector Accounting Standards (IPSAS) issued by IFAC.

(2) (a) Every public interest entity shall, adopt, and report on, corporate governance in accordance with the National Code of Corporate Governance.

(b) Notwithstanding paragraph (a), wholly owned subsidiaries shall adopt the National Code of Corporate Governance but may not, other than wholly owned subsidiaries regulated by the Bank of Mauritius or the Financial Services Commission, report on corporate governance where their ultimate holding company already complies with the Code.

(3) Every public interest entity under subsection (2) shall submit to the Council a statement of compliance with the Code of Corporate Governance and where there is no compliance, the statement shall specify the reasons for non-compliance.

[Amended 14/2009, 27/2012, 10/2017]

FIRST SCHEDULE

[Section 2]

ENTITIES

Item 4(2) Any group company which has, during 2 consecutive preceding years, at least one of the following –

(a) an annual turnover exceeding one billion rupees; or

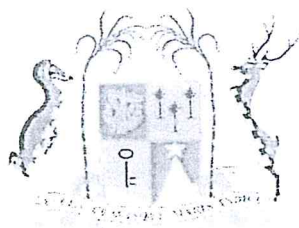
(b) total assets exceeding one billion rupees.

Amended Act 10/2017

THIRD SCHEDULE
[Section 75(1A)]

Entity	Acts under which established/set up
Agricultural Marketing Board	Mauritius Agricultural Marketing Act
Beach Authority	Beach Authority Act
Central Electricity Board	Central Electricity Board Act
Central Water Authority	Central Water Authority Act
Gambling Regulatory Authority	Gambling Regulatory Authority Act
Irrigation Authority	Irrigation Authority Act
Mauritius Broadcasting Corporation	Mauritius Broadcasting Corporation Act
Mauritius Cane Industry Authority	Mauritius Cane Industry Authority Act
Mauritius Meat Authority	Meat Act
Mauritius Ports Authority	Ports Act
National Transport Corporation	National Transport Corporation Act
Road Development Authority	Road Development Authority Act
Rose Belle Sugar Estate Board	Rose Belle Sugar Estate Board Act
State Trading Corporation	State Trading Corporation Act
Sugar Insurance Fund	Sugar Insurance Fund Act
Waste Water Management Authority	Waste Water Management Authority Act

[Added 10/2017]



PERFORMANCE AGREEMENT

BETWEEN

MINISTRY

AND

STATUTORY BODY

Key Actions

SN	KEY ACTIONS	KEY PERFORMANCE INDICATORS		
		FY 2017/18	FY 2018/19	FY 2019/20

Ministry	Statutory Body	Statutory Body
Name of Accounting Officer	Name of Chairperson	Name of CEO
Signature	Signature	Signature
Date	Date	Date