

1. OVERVIEW OF THE TREASURY

The Treasury, a department under the aegis of the Ministry of Finance and Economic Development, is administered by the Accountant-General. The statutory duties of the Accountant-General are laid down in various legislation and regulations. The Finance and Audit Act specifically requires the Accountant-General to sign and submit to the Director of Audit, within 6 months of the close of every financial year, financial statements showing fully the financial position of the Republic of Mauritius on the last day of such financial year.

The responsibilities of the Treasury also include, inter alia, ensuring the adequacy of departmental accounting systems and procedures as laid down in the Financial Management Manual and other financial regulations and legislation, advising Accounting Officers of Ministries/Departments on accounting and financial matters and managing the cash flow of the government and certain public service benefits viz: public service pensions, passage benefits and loan facilities for the purchase of motor cars/ cycles.

2. FINANCIAL STATEMENTS

The accounts were closed on 16 April 2010. The financial statements required under Section 19(3) of the Finance and Audit Act include a Statement of Assets and Liabilities and detailed Statements of Revenue and Expenditure. These show, inter alia:-

- (i) the financial position of the Government as at 31 December 2009;
- (ii) the accumulated balance of the Consolidated Fund;
- (iii) a detailed statement of revenue and a detailed statement of expenditure by programmes and sub-programmes of the Consolidated Fund;
- (i) a progress report on performance in respect of outcomes achieved and outputs delivered;
- (ii) deposits made with Government for certain specific purposes; and
- (iii) the outstanding public sector debt.

3. CHANGE IN REPORTING PERIOD

Following the decision of Government in July 2008 to change the reporting date from June to December, financial statements for the six months ended 31 December 2009 has exceptionally been prepared for the transitional period.

4. FINANCIAL HIGHLIGHTS

4.1 CONSOLIDATED FUND

The original estimates for the period July 09 to December 09 anticipated a surplus of Rs 25,323.2 M but, the actual result was a deficit of Rs 1,665.3 M.

The total revenue for the period amounted to Rs 38,655.7 M, i.e. Rs 27,076.5 M less than the original estimates of Rs 65,732.2 M.

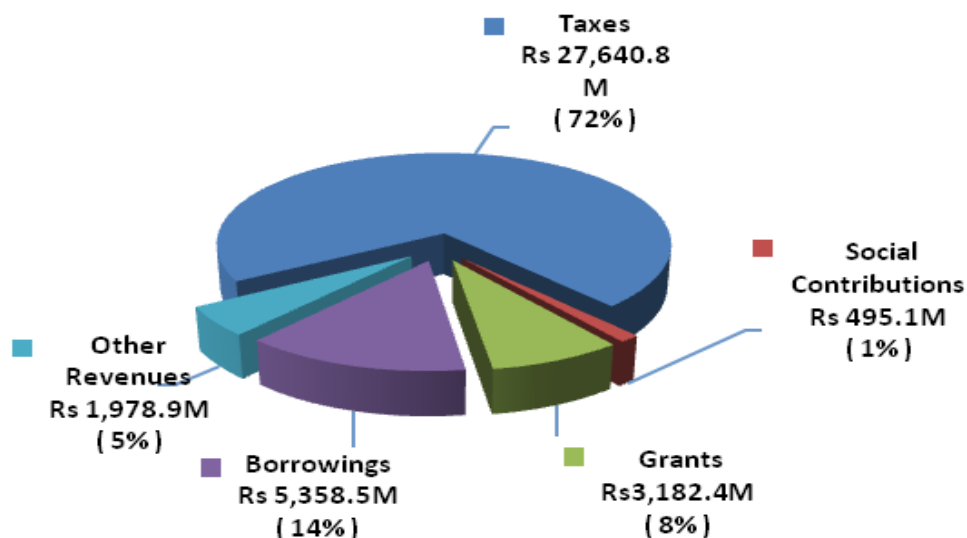
The expenditure for the period amounted to Rs 40,321 M, i.e. Rs 88 M less than the original estimates of Rs 40,409 M.

The accumulated deficit of the Fund as at 31 December 2009 stood at Rs 76,763.5 M.

Detailed statements of revenue and expenditure are included in this report (Statement D and Statement D1).

4.1.1 Analysis of Total Revenue

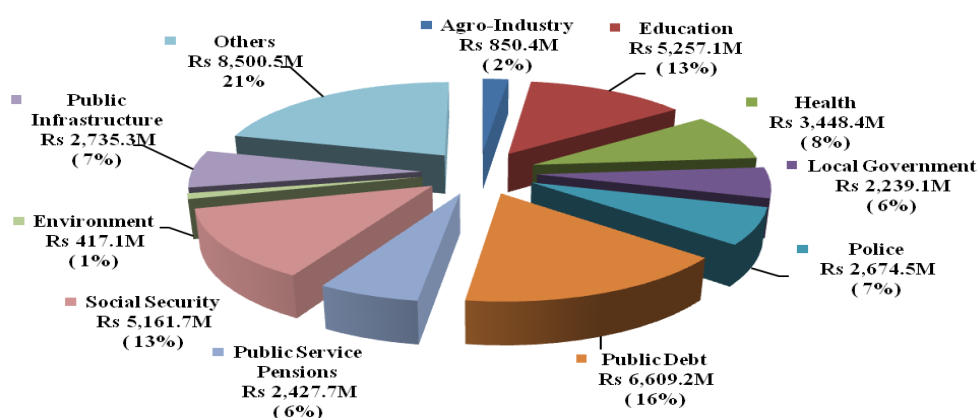
The total revenue of Rs 38,655.7 M has been analysed below:



The above figures show that revenue from taxes remains the major source of Government revenue and accounts for 72% of the total revenue.

4.1.2 Analysis of Total Expenditure

The total expenditure for the period of Rs 40,321 M has been analysed below according to the main functions of Government:



From the analysis above, we can observe that more than 50% of the total Government expenditure has been incurred on Education, Health, Social Security and Debt Servicing.

4.2 SPECIAL FUNDS

The total amount of the Special Funds deposited with the Accountant-General as at 31 December 2009 was Rs 7,727.9 M.

4.3 PUBLIC SECTOR DEBT

Section 19(3) of the Finance and Audit Act requires the reporting of public sector debt outstanding as at end of financial year.

The public sector debt outstanding as at 31 December 2009 stood at Rs 168,553.6 M as shown in table below:

Public Sector Debt	Amount Rs (M)	% of Total Public Sector Debt
Government Debt	142,588.2	84.60%
Agencies – Extra Budgetary Units	119.3	0.07%
Local Government Debt	4.5	0.01%
Rodrigues Regional Assembly	-	-
Public Enterprise Debt	25,841.6	15.32%
Total Public Sector Debt	168,553.6	100.00%

4.3.1 Government Debt

At 31 December 2009, Government Debt stood at Rs 142,588.2 M, details of which are provided below:

Government Debt	Internal Rs(M)	External Rs(M)	Total Rs(M)
Long Term	44,493.6	16,695.9	61,189.5
Medium Term (T. Notes)	41,840.3	-	41,840.3
Short Term	39,558.4	-	39,558.4
Total	125,892.3	16,695.9	142,588.2

4.3.2 Debt Servicing on Government Debt

The cost of servicing public debt during the year amounted to Rs 6,609.2 M and was as follows:-

Debt Servicing	Rs(M)	Rs(M)
Interest		
<i>External Debt</i>	190.6	
<i>Internal Debt</i>	5,135.2	5,325.8
Management/Service Charges		4.6
Capital Repayments		
<i>External Debt</i>	500.4	
<i>Internal Debt</i>	778.4	1,278.8
Total		6,609.2

4.4 LOANS TO STATUTORY BODIES, LOCAL AUTHORITIES & OTHER BODIES

No loan disbursement was made to statutory bodies, local authorities and other bodies during the period under review. Capital and interest repayments during the period amounted to Rs 114.2 M and Rs 37.4 M respectively. The balance of such loans outstanding as 31 December 09 was Rs 5,026 M.

4.5 STATEMENT OF CASH RECEIPTS AND PAYMENTS

This Report includes a Statement of Cash Receipts and Payments (Statement AA), prepared in accordance with the International Public Sector Accounting Standard (IPSAS) “Financial Reporting under the Cash Basis of Accounting” issued by the International Federation of Accountants – Public Sector Committee.

During period ending 31 December 2009 Rs 38,655.7 M representing cash inflows primarily generated from taxation, grants, borrowings, capital receipts and other revenues, was utilised to finance Government’s operating, investing and financing activities totaling Rs 40,321 M.

4.6 PUBLIC SERVICE BENEFITS

Public Service benefits are processed and paid centrally by the Treasury. The three main categories of benefits currently paid are:

- ≈ Motor Car and Motor Cycle Advances;
- ≈ Passage Benefits; and
- ≈ Pension Benefits.

During the period July 09 to September 09, officers of the Treasury were provided training on customer care at the Mauritius College of Air with a view to improving our service delivery.

4.6.1 Motor Car & Motor Cycle Advances

During the period under review, a total amount of Rs 166.3 M was advanced to 431 officers as detailed below:-

Advances	No. of Officers	Loan Granted Rs (M)
Motor Cycle	111	6.9
Motor Car	320	159.4
Total	431	166.3

The outstanding balance of motor car/motor cycle advances as at 31 December 2009 stood at Rs 981.5 M.

4.6.2 Passage Benefits

For the period ending 31 December 2009, some 3,500 applications for passage benefits were processed in respect of eligible government employees, involving a total expenditure of Rs 139 M as follows:-

Passage Benefits	No. of Cases	Amount Rs (M)
Passage Cost	1,500	39.8
Cash in lieu of Passages	2,000	99.2
Total	3,500	139.0

4.6.3 Pensions Benefits

Pensions/gratuities and other allowances are payable to retired Government employees, heirs of deceased public officers/deceased pensioners, officers on contract, former members of the National Assembly and Ministers' Drivers and Constituencies Clerks.

During the period under review, pensions/gratuities benefits for 24,894 beneficiaries were processed involving a total disbursement of Rs 2,022.3 M as detailed below:-

Pensions Benefits	No. of Beneficiaries	Amount Rs (M)
National Assembly Retiring Allowances	99	30.0
Pensions	23,758	1,547.6
Compassionate Allowances	88	442.5
Retiring/Contract/Death Gratuities	949	2.2
Total	24,894	2,022.3