

# **NOTES TO THE ACCOUNTS**

## **1. GENERAL**

The statement of Assets and Liabilities is prepared in accordance with Section 19 of the Finance and Audit Act, 1973.

## **2. ACCOUNTING POLICIES**

- (i) The accounts of the Government are prepared on a modified cash basis. All transactions are recorded on a cash basis except for, costs of borrowings, which are accounted on the accrual basis. Premium received on capital instruments are credited to revenue.

The Statement of Assets and Liabilities does not include fixed assets, loans, investments other than those made under Section 3(4)(a), 8(2)(b), and 9(3)(a) of the Finance and Audit Act.

- (ii) All foreign currency balances have been translated using prevailing exchange rates on the last working day of the period concerned, i.e 31 December 2009.

## **3. CASH AND BANK BALANCES**

These include cash in hand and cash balances with banks and agents, both local and overseas.

## **4. REMITTANCES**

These represent cash remitted to Ministries/Government Departments as at the end of period.

## 5. INVESTMENTS

These represent investments made out of monies standing to the credit of the Consolidated Fund, Special Funds and deposits made to Government, in accordance with Section 3(4)(a), 8(2)(b) and 9(3)(a) of the Finance and Audit Act. Details of the outstanding balances of investments in respect of the Consolidated Fund, Special Funds and Deposits are as follows:

	<b>Rs</b>	<b>Rs</b>
<b><i>Consolidated Fund</i></b>		
Quoted Shares	4,604,411	
Units	75,789,771	
Unquoted Shares	162,354,070	
Bank Deposits	<u>713,884,950</u>	956,633,202
<b><i>Special Funds:</i></b>		
Bank Deposits		7,698,789,126
<b><i>Deposits:</i></b>		
Government Securities	56,843,925	
Bank Deposits	<u>171,711,161</u>	<u>228,555,086</u>
<b>Total</b>		<b><u>8,883,977,414</u></b>

## 6. ADVANCES

These are advances made under the authority of warrants issued under Section 6(1) of the Finance and audit Act and are recoverable within specified periods.

<b>Government Officers</b> (includes Motor Cars & Motor Cycles Advances)	<b>Rs</b> 1,265,398,851
<b>Parastatals/Local Government/Corporate Bodies</b>	125,033,337
<b>Ministries/Departments</b>	50,427,644
<b>Total</b>	<b><u>1,440,859,832</u></b>

## 7. CONSOLIDATED FUND

This represents the accumulated deficit of the Consolidated Fund established by Section 103 of the Constitution of the Republic of Mauritius.

In accordance with Section 3 of the Finance and Audit Act, during the year under review the Consolidated Fund has been:

- (a) credited with all the revenues of the Government and all other money properly accruing to it; and
- (b) charged only with expenses on the authority of warrant issued by the Minister of Finance.

	<b>Rs</b>
Balance as at 1 July 2009	74,908,768,591
<b>Add:</b>	
Excess of Expenditure over Revenue	1,665,286,598
Appreciation in Foreign Currencies	<u>189,432,540</u>
<b>Balance as at 31 December 2009</b>	<b><u>76,763,487,729</u></b>

## 8. INTEREST PAYABLES

Details of interest payables as at 30 June 09 and 31 December 09 are as follows:

	<b>Interest Payables</b>	<b>Interest Payables</b>
	<b>31 December 09</b>	<b>30 June 09</b>
	<b>Rs</b>	<b>Rs</b>
Government Bonds & Mauritius Development Loan Stocks (MDLS)	1,739,339,321	1,509,321,423
External Debt - Loans	93,867,442	115,160,625
Treasury Notes	1,208,231,771	1,162,805,613
Treasury Bills	<u>803,704,271</u>	<u>833,686,613</u>
<b>Total</b>	<b><u>3,845,142,805</u></b>	<b><u>3,620,974,274</u></b>

## 9. SHORT TERM BORROWINGS

The Short-Term Borrowings comprise of outstanding Treasury Bills and balance of advances from Specials Funds and Organisations as at 31 December 09. Details of Short-Term Borrowings are as follows:

	<b>Rs</b>
Treasury Bills (see details at Note 9(a))	33,880,398,530
Advances from Special Funds	3,025,220,000
Advances from Organisations	<u>1,400,000,000</u>
<b>Balance as at 31 December 09</b>	<b><u>38,305,618,530</u></b>

### 9(a) TREASURY BILLS

The Treasury Bills were issued in accordance with Sections 5 and 15 of the Public Debt Management Act 2008. They are recorded in accounts at Cost Price. Details of balances and transactions of the Treasury Bills are shown below:

	<b>Nominal Value</b>	<b>Cost Price</b>
	<b>Rs</b>	<b>Rs</b>
Balance as at 01 July 09	37,053,500,000	35,301,292,875
<i>ADD</i> Issued during the Period	30,581,500,000	29,987,608,108
LESS Redeemed during the Period	<u>(32,501,800,000)</u>	<u>(31,408,502,453)</u>
<b>Balance as at 31 December 09</b>	<b><u>35,133,200,000</u></b>	<b><u>33,880,398,530</u></b>

## 10. TREASURY NOTES

These are outstanding balance of Treasury Notes as at 31 December 09 which were issued under Sections 5 and 15 of the Public Debt Management Act 2008. The costs are accounted net of premium.

	<b>Nominal Value</b>	<b>Cost Price</b>
	<b>Rs</b>	<b>Rs</b>
Balance as at 01 July 09	40,208,620,000	39,505,559,888
<i>ADD</i> Issued during the Period	5,633,800,000	5,493,027,051
LESS Redeemed during the Period	<u>(4,002,100,000)</u>	<u>(3,941,532,423)</u>
<b>Balance as at 31 December 09</b>	<b><u>41,840,320,000</u></b>	<b><u>41,057,054,516</u></b>

## 11. DEPOSITS

These are monies deposited with the Government by individuals and organisations under Section 8 of the Finance and Audit Act.

	<b>Rs</b>
Tax Reserve Certificates	440,950
Grants and Donations	64,116,879
Other Deposits	<u>840,346,741</u>
<b>Total</b>	<b><u>904,904,570</u></b>

## 12. SPECIAL FUNDS

These are the monies deposited with the Government by the various funds set up under the Finance and Audit Act.

### 13. INTERNATIONAL FINANCIAL ORGANISATIONS

Pursuant to Section 4(3) of the International Financial Organisations Act, the Government has issued non-negotiable, non-interest bearing demand notes for a total amount of Rs 4,654.9 million as at 31 December 2009, as follows:-

	<b>Rs</b>
International Monetary Fund	4,495,870,000
International Development Association	8,803,395
International Bank for Reconstruction and Development	<u>150,262,574</u>
<b>Total</b>	<b><u>4,654,935,969</u></b>

At the end of period, the quota for Mauritius in the International Monetary Fund was SDRs 101.6 million and the Reserve Tranche position stood at SDRs 13,154,473.