

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 2010.

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:

	Rs	Rs
<i>Consolidated Fund</i>		
Quoted Shares	4,604,412	
Units	75,789,771	
Unquoted Shares	162,354,070	
Bank Deposits	<u>709,527,418</u>	952,275,671
<i>Special Funds:</i>		
Bank Deposits		6,218,978,090
<i>Deposits:</i>		
Bank Deposits		<u>253,307,592</u>
Total		<u>7,424,561,353</u>

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.

	Rs
Government Officers (include Motor Cars & Motor Cycles Advances)	1,201,135,116
Parastatals/Local Government/Corporate Bodies	174,796,303
Ministries/Departments	<u>54,969,003</u>
Total	<u>1,430,900,422</u>

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.

	Rs
Balance as at 1 January 2010	76,763,487,729
<i>Less:</i>	
Surplus of Revenue over Expenditure	<u>(1,419,100,448)</u>
	75,344,387,281
<i>Add:</i>	
Appreciation in Foreign Currencies	<u>200,420,232</u>
Balance as at 31 December 2010	<u>75,544,807,513</u>

8. INTEREST PAYABLES

Details of interest payables as at 31 December 2009 and 31 December 2010 are as follows:

	Interest Payables 31 December 2010 Rs	Interest Payables 31 December 2009 Rs
Government Bonds & Mauritius Development Loan Stocks (MDLS)	2,036,868,748	1,739,339,321
External Debt - Loans	130,670,234	93,867,442
Treasury Notes	1,389,449,269	1,208,231,771
Treasury Bills	<u>506,383,638</u>	<u>803,704,271</u>
Total	<u>4,063,371,889</u>	<u>3,845,142,805</u>

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 2010. Details of Short-Term Borrowings are as follows:

	Amount
	Rs
Treasury Bills – Cost Price (details at Note 9(a))	30,955,238,651
Advances from RDA	2,100,000,000
Balance as at 31 December 2010	<u>33,055,238,651</u>

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:

	Nominal Value	Cost Price
	Rs	Rs
Balance as at 01 Jan 2010	35,133,200,000	33,880,398,530
<i>ADD</i> Issued during the Period	68,057,300,000	66,615,405,523
LESS Redeemed during the Period	<u>(71,275,100,000)</u>	<u>(69,540,565,402)</u>
Balance as at 31 December 2010	<u>31,915,400,000</u>	<u>30,955,238,651</u>

10. TREASURY NOTES

These are outstanding balance of Treasury Notes as at 31 December 2010 which were issued under Sections 5 and 15 of the Public Debt Management Act 2008. The costs are accounted net of premium.

Details of transactions and balances of the Treasury Notes are as follows:

	Nominal Value	Cost Price
	Rs	Rs
Balance as at 01 Jan 2010	41,840,320,000	41,057,054,516
<i>ADD</i> Issued during the Period	17,130,000,000	16,893,240,716
LESS Redeemed during the Period	(14,947,400,000)	(14,767,019,077)
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Balance as at 31 December 2010	44,022,920,000	43,183,276,155
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11. DEPOSITS

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

	Rs
Grants and Donations	140,723,993
Other Deposits	844,389,437
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Total	985,113,430
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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 3,875.5 million as at 31 December 2010, as follows:-

	Rs
International Monetary Fund	- 3,688,450,000
International Development Association	- 8,803,395
International Bank for Reconstruction and Development	- 178,227,264
Total	<u>3,875,480,659</u>

At the end of year, the quota for Mauritius in the International Monetary Fund was SDRs 101.6 million and the Reserve Tranche position stood at SDRs 22,054,473.