

# TREASURY

**TREASURY CIRCULAR NO. 10 OF 2017**

**FROM: ACCOUNTANT-GENERAL**

**TO : SUPERVISING OFFICERS-IN-CHARGE OF MINISTRIES/DEPARTMENTS**

**CLOSING OF ACCOUNTS AND ANNUAL STATEMENTS FOR THE FINANCIAL YEAR ENDING 30 JUNE 2017**

The Finance and Audit Act requires the Accountant-General to prepare and submit to the Director of Audit, statements showing the financial position of the Government of the Republic of Mauritius on the last day of the fiscal year.

Closing of accounts will be effected by this office as follows:-

<i>First Closing</i>	<i>: 14 July 2017</i>
<i>Second Closing</i>	<i>: 28 July 2017</i>
<i>Third and Final Closing</i>	<i>: 11 August 2017</i>

To ensure the smooth closure of accounts and timely submission of the statutory statements in respect of the financial year ending 30 June 2017, Accounting Officers are kindly requested to ensure that the schedule and arrangements set out below are adhered to.

**END OF PERIOD TREASURY ACCOUNTING SYSTEM (TAS) PROCEDURES**

1. All invoices with schedule date 30 June 2017 on TAS and all earmarkings, which are not likely to be paid, should be cancelled. Under no circumstances should an invoice be approved in one financial year and processed for payment in the following financial year, as government expenditure, except interest on borrowings, is on a cash basis.
2. All deposits repayable pertaining to the financial year ending 30 June 2017 should be cleared by **28 June 2017**. Deposits held for more than 5 years should be credited to Revenue upon approval of the Accounting Officer (Chapter 20.7, para 31 of the Financial Management Manual).

3. A Ministry/Department which has obtained a Departmental Warrant should notify the issuing Ministry/Department by **22 June 2017** of any unspent amount under the Departmental Warrant. The issuing Ministry/Department should then transfer back the unspent amount to the original ID.

#### **RECONCILIATION AND ADJUSTMENTS**

4. Ministries and Departments having received loans/grants from foreign sources for the financing of projects under their control during the financial year ending 30 June 2017 and which have remained unaccounted for should make the necessary adjustments in the Treasury Accounting System (TAS).
5. All Overseas Missions Accounts should be input in TAS by **28 July 2017**.
6. Accounting Officers are requested to ensure that Abstracts, Remittance Accounts, Advances and Deposit Ledgers and Revenue Registers are properly checked and reconciled. Any adjustment arising after the second closing should be input promptly in TAS. For adjustments after the second closing, approval of the Accountant-General should be sought prior to input in TAS at the Treasury. The approval should be sought in writing and duly signed by the Accounting Officer or the Officer-in-Charge of Finance with reasons/justifications as to why same has not been attended to prior to the second closing.
7. All adjustments in respect of wrong combinations and misallocations up to **May 2017** should be effected before **the first closing of accounts**. All adjustments relating to **June 2017** should be dealt with before the second closing. ***Any discrepancy not cleared should be reported to the Accounts Section of the Treasury.***
8. To ensure correctness of figures Ministries and Departments should check their respective abstracts against the Trial Balance as well as the ***Funds Available Screen*** of TAS.
9. A report entitled "**TAS Trial Balance Abstract R12**" is available in TAS and should be run after each closing. Any discrepancy noted should be promptly reported to the TAS Section of the Treasury.

10. Cash Books and Abstracts in respect of Expenditure and Revenue and Below-the-line Accounts should tally with the Trial Balance. This should be stated in the reconciliation certificate.
11. Reconciliation certificates in respect of Expenditure, Revenue, Below-the-Line Accounts and Cash Book for the month of **May 2017** should reach the Accounts Section of the Treasury **at latest by 23 June 2017**. Any discrepancy should be sorted out immediately.

For the month of **June 2017**, Accounting Officers should submit to the Treasury, not later than **18 August 2017**, one single reconciliation certificate stating that all accounts have been properly checked and reconciled, and that all adjustments in respect of wrong combinations have been duly effected.

#### **ADDITIONAL TAS PROCEDURES FOR SELF-ACCOUNTING MINISTRIES/DEPARTMENTS**

12. All receipts should be accounted for by **30 June 2017**. However, only collections at remote sites on **30 June 2017** should be input by **4 July 2017** at latest, using **30 June 2017** as input date.
13. All payment batches should be confirmed by **29 June 2017**.
14. Remittance Accounts should be cleared by **30 June 2017** and Cash Accounts should tally with Trial Balance.
15. Bank Reconciliation should be up-to-date. Unpresented payable orders which have become stale should be credited to the appropriate item of expenditure, or to revenue in respect of payable orders issued prior to financial year 2016-2017.
16. Debit balances in Deposit accounts and Credit balances in Advance accounts and Cash Book, if any, should be investigated and **cleared before the second closing - 28 July 2017**.
17. Any balance in Cash Account No 1 as at **30 June 2017** should be transferred to the Accountant-General's General Account.

**ANNUAL STATEMENTS FOR THE FINANCIAL YEAR ENDING 30 JUNE 2017**

18. The following annual statements are prepared on the basis of returns provided by Ministries/Departments:-

- (i) Detailed Statement of Advances (**Statement G**);
- (ii) Detailed Statement of Deposits (**Statement I**);
- (iii) Contingent liabilities, including details of any loans, bank overdrafts or credit facilities guaranteed by the Government (**Statement L**);
- (iv) Statement of arrears of revenue (**Statement N**);
- (v) Statement of claims abandoned (**Statement O**);
- (vi) Statement of losses charged to expenditure (**Statement P**);
- (vii) Statement of all store losses together with a statement showing the position regarding losses in respect of previous financial years for which action was not completed at the close of the year (**Statement Q**);
- (viii) Statement showing “Non-Cash Aid” received from foreign countries (**Statement U**); and
- (ix) Statement showing “Cash Aid” received from foreign countries (**Statement U1**).

19. Arrangements should be made for submission of **complete and accurate returns** in respect of the above statements for the year ending **30 June 2017**, in the formats set out at **Annex 1**. The returns should reach this office **at latest by 18 August 2017** and copied to the Director of Audit. Nil returns should also be submitted.

20. The returns for Statements G, N, O, P and Q should be prepared in accordance with Circular No. 6 of 2012 “**Financial Instructions – Losses Deficiencies and Write-Off of Goods**”, Circular No. 1 of 2013 “**Losses, Arrears of Revenue, Write off and Advances**” and **Circular No 7 of 2015–Write-Off of Advances** issued by the Ministry of Finance and Economic Development.

**ACCRUAL BASED ACCOUNTING SYSTEM**

21. Financial statements for the financial year 2017-2018 will be prepared on both cash basis and accrual basis of accounting. Accordingly, with effect from 1<sup>st</sup> July 2017 the Treasury will maintain revenue and expenditure accounts on both cash and accrual basis.



The Treasury Accounting System is being enhanced to enable the online capture of accrual based data. However, pending the completion of this project, accrual based information will be captured through returns from Ministries/Departments. Further instructions and guidelines regarding the compilation and submission of these returns will be issued by end of June 2017.

22. Supervising Officers of Self-Accounting Ministries/Departments may issue their own instructions to meet their specific requirements but they should, however, ensure that the main provisions of this circular are strictly adhered to.
23. We rely on your personal attention and co-operation for the smooth processing of transactions and closing of the accounts for the year ending **30 June 2017.**

**It would be appreciated if the contents of this circular could be brought to the attention of all officers concerned.**



**(C. ROMOOAH)  
ACCOUNTANT-GENERAL**

**THE TREASURY,  
PORT LOUIS.  
08 June 2017.**

## FORMAT OF STATEMENTS

**(1) Statement G – Detailed Statement of Advances as at 30 June 2017**

Name of Advance A/C	Balance on 30 June 2016	New Advances / Transfer in during the year	Advances repaid / Transfer out during the year	Advances written off during the year			Balance on 30 June 2017
				Authority to write off	Amount	TAS Reference No. of A.V	

**(2) Statement I – Detailed Statement of Deposits as at 30 June 2017**

Name of Deposit Account	Balance on 30 June 2016	Balance on 30 June 2017

**(3) Statement L – Contingent liabilities, including details of any loans, bank overdrafts or credit facilities guaranteed by the Government.**

(i) External Sources:

Borrower	Lender	Amount Outstanding and Extent of Government's Liability as at 30 June 2017	
		Foreign Currency	Rupee Equivalent

(ii) Local Sources:

Borrower	Lender	Amount of Loan outstanding as at 30 June 2017	Extent of Government's Liability

**(4) Statement N – Statement of Arrears of Revenue as at 30 June 2017**

The return should be prepared on Accounts Form 258 A (Financial Instructions - MOFED Circular No. 6 of 2012)

**(5) Statement O – Claims Abandoned (including arrears of revenue and forfeited bonds written off during the financial year 2016-2017)**

Particulars	Authority to write off	Amount	Item Debited	TAS Reference No. of A.V

(6) **Statement P – Losses charged to Expenditure during the financial year 2016-2017**

Particulars	Authority to write off	Amount	Item Debited	TAS Reference No. of A.V

(7) **Statement Q – Stores Losses****PART 1 – Losses occurred/reported during the financial year 2016-2017**

Date of Loss	Place of Loss	Item	Value of Loss	Title of Advance A/C Debited	Amount Debited	Action Taken

**PART 2 – Summarised Statement of all outstanding losses as at 30 June 2017**

Item*	Total amount of Losses as on 1 June 2016	Total amount of Losses during 1 July 2016 to 30 June 2017	Amount Recovered during the year	Amount Written off during the year	Total amount of Losses outstanding as on 30 June 2017

(8) **Statement U – Non-Cash\*\* Aid Received from foreign countries during the financial year 2016-2017**

Donor Country/ Agency	Receiving Agency	Date of Receipt of Donation	Nature of Donation*	Quantity	Estimated Value

(9) **Statement U1 – Cash Aid Received from foreign countries during the financial year 2016-2017**

Donor Country/ Agency	Receiving Agency	Purpose of Donation	Title of Deposit Account	Item of Deposit Account	Bank & Account No. credited	Closing balance as at 30 June 2016	Amount Received during the year	Amount Spent during the year	Closing balance as at 30 June 2017

\* Minor items/donations should be grouped together and shown under a main heading e.g. Agricultural Produce and Foodstuffs, Books and Publications, Office Equipment and Furniture, Sport Equipments, Medicines, Medical Equipments, Spare-parts and Accessories etc.

\*\* Including Technical Assistance and physical assets.