

14. FINANCIAL REPORTING COUNCIL

- 14.1 The Financial Reporting Council (FRC) was set up under section 3 of the Financial Reporting Act No. 45 of 2004 to strengthen the credibility and quality of financial reporting and audit in the country. It is a body corporate operating under the *aegis* of the new Ministry of Financial Services, Good Governance and Institutional Reforms.
- 14.2 The mission of the FRC is to bring corporate confidence in auditing, financial and non-financial reporting among users of financial statements.
- 14.3 The objectives of the FRC are, among others, to promote the provision of high quality reporting of financial and non-financial information by public interest entities; enhance the credibility of financial reporting; improve the quality of accountancy and audit services; and promote the highest standards among licensed auditors.
- 14.4 The core activities of the FRC are carried out by three units namely: Audit Practice Review; Financial Reporting Monitoring; and Standard Review/ Training.
- 14.5 In the context of the present review exercise, the main representations have been focused on creation of grades at different levels of operation and upgrading of salary as well as duty exemption and loan to purchase a car.
- 14.6 We have examined all proposals made by Staff Association and Management as well as the Parent Ministry and apprised all parties concerned on issues that could not be retained in this Report. With the expansion of the activities of the Council, both in volume and complexity, there is need for a grade to provide all administrative assistance aligned with the goals and objectives of the Council and also to be responsible for planning, co-ordinating and implementing human resources policies, strategies, systems and processes. We are recommending accordingly. We are also maintaining the special provision for the grades of Technical Officer, Senior Financial Executive and Assistant Technical Executive.

Administrative Secretary (New Grade)

Recommendation 1

- 14.7 **We recommend the creation of a grade of Administrative Secretary on the establishment of the Financial Reporting Council. Appointment to the grade should be made by selection from serving officers of the FRC possessing a Degree in Human Resource Management from a recognised institution or an alternative equivalent qualification acceptable to the**

Board and reckoning at least four years' service in a substantive capacity in the grade.

- 14.8 Incumbent would be required, among others, to provide administrative assistance in formulation, coordination and implementation of policies, goals and objectives of the Council and make recommendations on existing policies; be in charge of the general administration and ensure quality service to stakeholders; be responsible for establishing proper administration and control procedures and ensure compliance thereto; formulate and implement plans regarding manpower planning and development as well as capacity building; deal with matters relating to recruitment and selection of employees; ensure human resource policies, rules, regulations and procedures are properly and constantly applied; and promote staff welfare and a healthy and safe working environment.

Technical Officer

Senior Financial Executive

Assistant Technical Executive

- 14.9 In our 2013 Report, we made special provision for the grades of Technical Officer, Senior Financial Executive and Assistant Technical Executive to ensure that the remuneration package is competitive as compared to their counterparts in the private sector. We are maintaining this provision.

Recommendation 2

14.10 We recommend that:

- (i) incumbents in the grade of Technical Officer possessing a Degree in Finance or Accounting or ACCA Fundamentals (Skills) or an equivalent qualification and having reached the top salary in the salary scale should be allowed to move incrementally in the master salary scale by two additional increments provided they have:**
 - (a) drawn the top salary for a year;**
 - (b) been efficient and effective in their performance during the preceding year; and**
 - (c) not been under report.**

- (ii) incumbents in the grade of Senior Financial Executive, on obtention of the degree or equivalent qualification, be allowed to move incrementally beyond the top salary of the grade up to salary point Rs 54825 in the master salary scale provided they have:**
 - (a) drawn the top salary for a year;**
 - (b) been efficient and effective in their performance during the preceding year; and**

- (c) not been under report.
- (iii) incumbents in the grade of Assistant Technical Executive, on reaching the top salary point Rs 56450 be allowed to move incrementally in the master salary scale up to salary point Rs 61325 provided they have:
- (a) drawn the top salary for a year;
- (b) been efficient and effective in their performance during the preceding year; and
- (c) not been under report.

14. FINANCIAL REPORTING COUNCIL

SALARY SCHEDULE

FRC 1	:	Rs 11970 x 260 – 14050 x 275 – 15150 x 300 – 15750 x 325 – 17700 x 375 – 19575 x 475 – 20050
		Office Attendant
FRC 2	:	Rs 14325 x 275 – 15150 x 300 – 15750 x 325 – 17700 x 375 – 19575 x 475 – 21475
		Senior Office Attendant
FRC 3	:	Rs 12750 x 260 – 14050 x 275 – 15150 x 300 – 15750 x 325 – 17700 x 375 – 19575 x 475 – 21950 x 625 – 23200
		Driver/Messenger
FRC 4	:	Rs 12490 x 260 – 14050 x 275 – 15150 x 300 – 15750 x 325 – 17700 x 375 – 19575 x 475 – 21950 x 625 – 23200 x 775 – 25525
		Receptionist/Telephonist
FRC 5	:	Rs 14050 x 275 – 15150 x 300 – 15750 x 325 – 17700 x 375 – 19575 x 475 – 21950 x 625 – 23200 x 775 – 30175
		Clerk/Word Processing Operator
FRC 6	:	Rs 16400 x 325 – 17700 x 375 – 19575 x 475 – 21950 x 625 – 23200 x 775 – 32500
		Management Support Officer (FRC)
FRC 7	:	Rs 17375 x 325 – 17700 x 375 – 19575 x 475 – 21950 x 625 – 23200 x 775 – 32500
		Executive Officer (Personal to incumbents in post as at 31.12.15)

14. FINANCIAL REPORTING COUNCIL (Contd)

- FRC 8 : Rs 19200 x 375 – 19575 x 475 – 21950 x 625 – 23200 x 775 – 32500 x 925 – 37125 x 1225 – 38350**
Confidential Secretary
- FRC 9 : Rs 22575 x 625 – 23200 x 775 – 32500 x 925 – 37125 x 1225 – 38350**
Financial Officer
Technical Officer
- FRC 10 : Rs 22575 x 625 – 23200 x 775 – 32500 x 925 – 37125 x 1225 – 40800**
Human Resource Executive
- FRC 11 : Rs 33425 x 925 – 37125 x 1225 – 40800 x 1525 – 49950 x 1625 – 51575**
Senior Financial Executive
- FRC 12 : Rs 25525 x 775 – 32500 x 925 – 37125 x 1225 – 40800 x 1525 – 49950 x 1625 – 56450**
Administrative Secretary (New Grade)
- FRC 13 : Rs 28625 x 775 – 32500 x 925 – 37125 x 1225 – 40800 x 1525 – 49950 x 1625 – 56450**
Assistant Technical Executive
- FRC 14 : Rs 51575 x 1625 – 62950 x 1850 – 68500 x 1950 – 74350 x 2825 – 80000 x 3000 – 83000**
Technical Executive
- FRC 15 : Rs 83000 x 3000 – 89000**
Manager
- FRC 16 : Rs 101000**
Chief Executive Officer

