



EXTRAORDINARY
OFFICIAL GAZETTE
THE BAHAMAS
PUBLISHED BY AUTHORITY

NASSAU

12th December, 2012

**FINANCIAL ADMINISTRATION AND AUDIT (AMENDMENT) ACT,
2012**

Arrangement of Sections

Section

1.	Short title and commencement.....	2
2.	Amendment of section 4 of the principal Act.....	2
3.	Amendment of section 8 of the principal Act.....	2
4.	Amendment of section 17 of the principal Act.....	3
5.	Amendment of section 32 of the principal Act.....	4
6.	Insertion of new sections 47 and 48 into the principal Act.....	4



No. 25 of 2012

**FINANCIAL ADMINISTRATION AND AUDIT (AMENDMENT) ACT,
2012**

**AN ACT TO AMEND THE FINANCIAL ADMINISTRATION AND
AUDIT ACT**

[Date of Assent - 12th December, 2012]

Enacted by the Parliament of The Bahamas

1. Short title and commencement.

- (1) This Act, which amends the Financial Administration and Audit Act¹, may be cited as the Financial Administration and Audit (Amendment) Act, 2012.
- (2) This Act shall come into force on such date as the Minister may appoint by notice published in the *Gazette*.

2. Amendment of section 4 of the principal Act.

Section 4 of the principal Act is amended in subsection (4) by the deletion of the words “international accounting standards, including all account reconciliations” and the substitution of the words “this Act and guided by International Public Sector Accounting Standards”.

3. Amendment of section 8 of the principal Act.

Section 8 of the principal Act is amended by the deletion of subsection (2) and the substitution therefor of the following —

“(2) Where the Minister so directs —

- (a) principal accounting officers may deduct such sums as may be required for drawbacks, repayments, or discounts, before

¹(No 26 of 2010)

paying the gross revenues of their departments into the Consolidated Fund; and

- (b) a principal accounting officer in any place where no banking facilities exist may defray payments authorised by the Treasurer out of revenues collected by them.”.

4. Amendment of section 17 of the principal Act.

Section 17 of the principal Act is amended —

- (a) by renaming the marginal note “Advances to the Government and short-term borrowings”;

- (b) by the deletion of subsection (1) and the substitution therefor of the following —

“(1) Subject to subsection (3), the Minister may for the purpose of meeting the current requirements of the Consolidated Fund borrow money —

- (a) by means of advances from any bank, insurance company or money lending institution;

- (b) by the issue in The Bahamas of Public Treasury bills, either at one time or by such instalments as the Minister may deem necessary; and

- (c) from time to time by the issue of Treasury bills in such sums as may be required to pay off at maturity advances and bills already lawfully issued and outstanding.”;

- (c) in subsection (2), by the deletion of the word “advances” and the substitution therefor of the words “short term borrowings”;

- (d) by the insertion, immediately after subsection (2), of the following new subsections —

“(3) The Minister shall not borrow pursuant to subsection (1) sums exceeding in total sixty per centum of the average ordinary revenue of the Government.

(4) Treasury bills issued under this section may be issued at such rate of discount as the Minister may from time to time direct.

(5) The proceeds of all such borrowings referred to in subsection (1) shall be paid into the Consolidated Fund.

(6) Every Treasury bill shall —

- (a) be issued in such sums expressed in terms of some national or dollar currency as may be prescribed by the regulations;

-
- (b) subject to paragraph (c), be payable at par at such time or times as the Minister shall, before the issue of such Treasury bill, fix and determine; and
 - (c) be payable not later than one year from the date of issue.
- (7) The principal and interest of Treasury bills may be paid, when they fall due, in the currency in which the bills are expressed to be issued.
 - (8) Treasury bills shall, upon repayment of the principal and interest, be delivered up to the Minister for cancellation.
 - (9) The Minister may make regulations —
 - (a) prescribing the preparation, form, mode of issue, mode of payment, and cancellation of Treasury bills and other short-term borrowing under this section;
 - (b) providing for the issue of a new bill in lieu of one defaced, lost or destroyed;
 - (c) preventing by the use of counterfoils, or of a special description of paper or otherwise, fraud in relation to Treasury bills; and
 - (d) regulating the cancellation of Treasury bills on payment of the principal and interest.
- (c) by renumbering subsection (3) as subsection (12).

5. Amendment of section 32 of the principal Act.

Section 32 of the principal Act is amended in subsection (3) —

- (a) in paragraph (j), by the deletion of the fullstop at the end of the sentence and the substitution therefor of a semi-colon; and
- (b) by the insertion, immediately after paragraph (j), of the following new paragraphs —
 - “(k) a statement of cash flows;
 - (l) a statement of revenue and expenditure.”

6. Insertion of new sections 47 and 48 into the principal Act.

The principal Act is amended by the insertion, immediately after section 46, of the following new sections —

“47. Repeal of Ch. 361.

The Public Treasury Bills Act (*Ch. 361*) is repealed.

48. Savings.

- (1) For the avoidance of doubt, the repeal of the Public Treasury Bills Act (*Ch. 361*), shall not affect any Treasury bills issued prior to the repeal.
- (2) All subsidiary legislation made under the repealed Public Treasury Bills Act (*Ch. 361*) and in force immediately before the coming into force of this Act, so far as it is not inconsistent with the provisions of this Act, continues in force as if made under this Act.”.