

JAMAICA

No. 13 – 2023

I assent,

[L.S.]

Sgd. P. L. Allen
Governor-General.

14th day of November 2023

AN ACT to Further Amend the Financial Administration and
Audit Act, and to provide for connected matters.

[15th day of November 2023]

BE IT ENACTED by The King's Most Excellent Majesty, by and
with the advice and consent of the Senate and House of
Representatives of Jamaica, and by the authority of the same, as
follows:—

1. This Act may be cited as the Financial Administration and Audit
(Amendment) (No. 2) Act, 2023, and shall be read and construed as
one with the Financial Administration and Audit Act (hereinafter referred
to as the principal Act) and all amendments thereto.

Short title
and
construction

Amendment
of section 2
of principal
Act.

2. Section 2 of the principal Act is amended by—

- (a) deleting the definition of “Audit Commission”;
- (b) deleting from the definition of “charter” the words “Audit Commission” and substituting therefor the words “Internal Audit Directorate”; and
- (c) inserting in the appropriate alphabetical sequence the following definition—

““Internal Audit Directorate” means the Internal Audit Directorate in the Ministry with responsibility for finance;”.

Amendment
of sections
33A and 33B
of principal
Act.

3. Sections 33A and 33B of the principal Act are amended by deleting the words “Audit Commission” wherever they appear and substituting therefor in each case the words, “Internal Audit Directorate”.

Amendment
of heading in
principal Act.

4. The principal Act is amended by deleting the heading “Audit Commission” appearing immediately before section 33C and substituting therefor the heading “Internal Audit Directorate”.

Repeal of
section 33C
of principal
Act

5. Section 33C of the principal Act is repealed.

Amendment
of section
33D of
principal Act.

6. Section 33D of the principal Act is amended—

- (a) by deleting the marginal note and substituting therefor the following—

“Functions of Internal Audit Directorate.”;
- (b) by deleting the words, “Audit Commission” wherever they appear, and substituting therefor in each case the words, “Internal Audit Directorate”;
- (c) in subsection (1)(l) by deleting the word “; and” and substituting therefor a full stop;
- (d) by deleting subsection (1)(g); and

(e) in subsection (2), by—

(i) deleting paragraph (b) and substituting therefor the following—

“(b) recommend to the Cabinet Secretary the removal of any of the members of an audit committee.”; and

(ii) deleting paragraph (c).

7. Sections 33E, 33F, 33G, 33H and 33I of the principal Act are repealed.

Repeal of sections 33E, 33F, 33G, 33H and 33I of principal Act.

8. The principal Act is amended by deleting section 33J and substituting therefor the following—

Repeal and replacement of section 33J of principal Act.

“Report on audit committees.

33J.—(1) The Internal Audit Directorate shall, as soon as possible after the end of each financial year but in any event no later than six months after the end of the relevant financial year, submit a report dealing generally with the activities of the audit committees during the relevant financial year—

(a) to the Cabinet Secretary; and

(b) to the Minister.

(2) On receiving a report under subsection (1)—

(a) the Cabinet Secretary shall transmit a copy of the report to each Permanent Secretary; and

(b) the Minister shall cause a copy of the report to be laid in each House of Parliament as soon as possible, but in any event no later than the 31st day of December after the end of the relevant financial year.”.

Repeal of sections 33K, 33L, 33M and 33N of principal Act

9. Sections 33K, 33L, 33M and 33N of the principal Act are repealed.

Amendment of sections 33O and 33P of principal Act

10. Sections 33O and 33P of the principal Act are amended by deleting the words “Audit Commission” wherever they appear and substituting therefor in each case the words “Internal Audit Directorate”.

Repeal and replacement of section 33Q of principal Act

11. The principal Act is amended by deleting section 33Q and substituting therefor the following—

“Duty of care

33Q. Each member of an audit committee and each member of staff of the Internal Audit Directorate shall in the exercise of that member’s functions under this Act—

- (a) act honestly and in good faith; and
- (b) exercise the care, diligence and skill that a reasonable and prudent person would exercise in comparable circumstances including, but not limited to, the general knowledge, skill and experience of the member of the audit committee or member of staff of the Internal Audit Directorate (as the case may be).”.

Amendment of section 33R of principal Act

12. Section 33R of the principal Act is amended by deleting the words “the Audit Commission” and substituting therefor the words “member of staff of the Internal Audit Directorate”.

Amendment of section 33S of principal Act

13. Section 33S of the principal Act is amended—

- (a) in the marginal note by deleting the word “Commission” and substituting therefor the words “Internal Audit Directorate”; and
- (b) by deleting the words “Audit Commission” and substituting therefor the words “Internal Audit Directorate”.

14. The principal Act is amended by deleting section 33T and substituting therefor the following—

“Minister may amend the First Schedule. 33T. The Minister may, by order subject to affirmative resolution, amend the First Schedule.”

Repeal and replacement of section 33T of principal Act.

15. The First Schedule of the principal Act is amended by—

Amendment of First Schedule of principal Act.

(a) deleting from—

(i) paragraph 1 the words “Audit Commission” and “Commission” and substituting therefor in each case the words “Cabinet Secretary”;

(ii) paragraphs 2(1), 3(1), 5(2), 6 and 7 the words “Audit Commission” wherever they appear and substituting therefor in each case the words “Cabinet Secretary”;

(iii) paragraph 9 the words “Audit Commission” wherever they appear and substituting therefor, in each case, the words “Internal Audit Directorate”; and

(iv) paragraph 10(2)(a) the words “Audit Commission” and substituting therefor the words “Internal Audit Directorate”; and

(b) deleting sub-paragraph (c) and renumbering sub-paragraphs (d) to (f) as sub-paragraphs (c) to (e).

16. The Second Schedule of the principal Act is repealed.

Repeal of Second Schedule of principal Act.

6 [No.] *The Financial Administration and Audit (Amendment)*
(No. 2) Act, 2023

Amendment of Local Government (Financing and Financial Management) Act.
17. Section 31 of the Local Government (Financing and Financial Management) Act is amended by deleting subsection (3).

Passed in the Honourable House of Representatives this 19th day of September, 2023.

MARISA DALRYMPLE PHILIBERT, CD
Speaker.

Passed in the Senate this 3rd day of November, 2023.

THOMAS TAVARES-FINSON, OJ, CD, KC, JP
President.

This printed impression has been carefully compared by me with the authenticated impression of the foregoing Act, and has been found by me to be a true and correct printed copy of the said Act.

Sgt. Valrie A. Curtis
Clerk to the Houses of Parliament.