

# ABILL

ENTITLED

AN ACT to Amend the Financial Administration  
and Audit Act.

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BE IT ENACTED by The Queen'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) Act, 2016, 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.

2. Section 24B of the principal Act is amended by deleting subsection (1) and substituting therefor the following—

Amendment  
of section  
24B of  
principal  
Act.

“ (1) Government accounts which are required under this Act to be published shall be prepared in accordance with—

(a) internationally recognized accounting principles;

(b) such instructions as may be issued by the Financial Secretary under section 51; and

(c) such regulations as may be prescribed.”.

Amendment  
of section  
24G of  
principal Act.

3. Section 24G of the principal Act is amended in subsection (1) by deleting the full stop appearing at the end of paragraph (d) and substituting therefor a semi-colon and the word “and” and inserting next after paragraph (d) the following paragraph—

“ (e) the General Purpose Financial Statements in accordance with the International Public Sector Accounting Standards.”.

Amendment  
of section  
24H of  
principal Act.

4. Section 24(H) of the principal Act is amended in subsection (1)—

(a) by renumbering paragraph (k) as paragraph (1);

(b) by inserting next after paragraph (j) the following paragraph—

“ (k) information set out in the General Purpose Financial Statements under section 24G(1)(e);”;  
and

(c) in paragraph (1), as renumbered, by deleting the words “(a) to (j)” and substituting therefor the words “(a) to (k)”.

Amendment  
of section  
24I of  
principal Act.

5. Section 24I of the principal Act is amended by deleting subsection (2) and substituting therefor the following—

“ (2) The statements mentioned in subsection (1) shall—

(a) include General Purpose Financial Statements in accordance with the International Public Sector Accounting Standards;

(b) be certified by the Auditor-General; and

(c) be laid on the Table of the House of Representatives.”.

Amendment  
of section  
48C of  
principal Act.

6. Section 48C of the principal Act is amended in subsection (1)(c) by deleting the words “March 31, 2016” and substituting therefor the words “March 31, 2019”.

7. Section 51 of the principal Act is amended—

Amendment  
of section 51  
of principal  
Act.

- (a) by deleting the words “The Financial Secretary” and substituting therefor the words “Subject to section 24B, the Financial Secretary”; and
- (b) in paragraph (c) by inserting immediately after the words “government supplies” the words “, and the accounting standards to be maintained with respect thereto”.

Passed in the House of Representatives this 20th day of September, 2016.

PEARNEL CHARLES,  
*Speaker.*

MEMORANDUM OF OBJECTS AND REASONS

A decision has been taken to amend the Financial Administration and Audit Act in order to facilitate implementation of—

- (a) the cash-basis International Public Sector Standards in Central Government; and
- (b) the new timeline of March 31, 2019 for the 9% Wage/Gross Domestic Product ratio

This Bill seeks to give effect to that decision.

AUDLEY SHAW  
Minister of Finance and the Public Service.



# A BILL

## ENTITLED

AN ACT to Amend the Financial  
Administration and Audit Act.

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As passed in the Honourable House of Representatives.

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SECTION 24B OF THE PRINCIPAL ACT WHICH  
IT IS PROPOSED TO AMEND

24(B).—(1) Government accounts which are required under this Act to be published shall be prepared on such basis as may be prescribed.

SECTION 24G, 24H and 24I OF THE PRINCIPAL ACT WHICH  
IT IS PROPOSED TO AMEND

24G.—(1) In respect of each financial year and as soon as possible after the end of such financial year, the Minister shall lay the following statements on the Table of the House of Representatives—

- (a) ...
- (d) a statement of the revenue and expenditure of the Consolidated Fund Principal Bank Account as compared with the original and revised budget forecasts.

24H.—(1) In respect of each financial year or within a period of four months after the end of such financial year the Accountant-General shall prepare, sign and submit to the Auditor-General statements showing—

- (a) current assets and liabilities of the Consolidated Fund;
- (b) revenue actually paid into the Consolidated Fund Principal Bank Account as compared with the estimates of revenue;
- (c) actual expenditure from the Consolidated Fund Principal Bank Account as compared with the estimates of expenditure.
- (d) the public debt of Jamaica showing transactions for the relevant year of account and the balance of sinking funds held against redemption;
- (e) advances and loans from the Consolidated Fund showing transactions for the year of account and for those accounts in respect of which no recovery is reported during that year, the date of the most recent recovery;
- (f) capital investments of the Consolidated Fund showing transactions for the year of account, the securities held and the proportion of equity held on behalf of the Government;
- (g) balances held by the Accountant-General on deposit at the end of the financial year and the outstanding advances made therefrom;

- (h) expenditure in respect of those services which by law are directly charged upon the Consolidated Fund as compared with budget forecasts;
- (i) outstanding loans or credits guaranteed by the Government;
- (j) receipts and payments of the Contingencies Fund;
- (k) such other matters as the Minister may direct for the purpose of amplifying the information required under paragraphs (a) to (j).

24I.—(1) ...

(2) The statements mentioned in subsection (1) shall be certified by the Auditor-General and shall be laid on the Table of the House of Representatives.

SECTION 48C OF THE PRINCIPAL ACT WHICH IT IS PROPOSED TO AMEND

48C.—(1) Subject to subsections (2) and (4), the Minister shall take appropriate measures—

- (a) ...
- (c) to reduce the ratio of wages paid by the Government as a proportion of the gross domestic product to nine per cent or less by the end of the financial year ending on March 31, 2016 and maintain or improve the ratio thereafter;

SECTION 51 OF THE PRINCIPAL ACT WHICH IT IS PROPOSED TO AMEND

51. The Financial Secretary may issue instructions to be known as Financial Instructions in relation to public financial business and without prejudice to the generality of the foregoing, such instructions shall provide for—

- (a) ...
- (c) the forms for all accounts, books, returns and documents required for the proper accounting for public moneys and government supplies;