

## OBJECTS AND REASONS

This Bill would amend the *Financial Management and Audit Act, 2007*, (2007-11) to *inter alia*, make specific provision for the monthly reporting of accounting operations in relation to public moneys received by the Accountant-General and to clarify certain other provisions of the Act.

### *Arrangement of Section*

#### *Section*

1. Short title.
2. Amendment of section 2 of Act 2007-11.
3. Amendment of Part III of Act 2007-11.
4. Amendment of section 5 of Act 2007-11.
5. Amendment of section 7 of Act 2007-11.
6. Amendment of section 8 of Act 2007-11.
7. Amendment of section 9 of Act 2007-11.
8. Repeal of section 17 of Act 2007-11.
9. Amendment of section 20 of Act 2007-11.
10. Amendment of section 21 of Act 2007-11.
11. Amendment of section 22 of Act 2007-11.
12. Amendment of section 29 of Act 2007-11.
13. Amendment of section 35 of Act 2007-11.

BARBADOS

A Bill entitled

An Act to amend the *Financial Management and Audit Act*.

Enacted by the Parliament of Barbados as follows:

- 1.** This Act may be cited as the *Financial Management and Audit* Short title.  
*(Amendment) Act, 2008*.

Amendment  
of section 2  
of Act  
2007-11.

**2.** Section 2 of the *Financial Management and Audit Act*, in this Act referred to as the principal Act, is amended by

(a) deleting the definition "generally accepted accounting practice" and substituting the following:

"generally accepted accounting practice" means

(a) the International Public Sector Accounting Standards issued by the International Federation of Accountants;

(b) where no guidance is provided by the Standards mentioned in paragraph (a), the Accounting Standards issued by the International Accounting Standards Board; or

(c) where no guidance is provided by the Standards specified in paragraph (a) or (b), accounting practice that is generally accepted within the accounting profession in Barbados as appropriate for reporting by the public sector including statutory bodies;

(b) inserting in the appropriate alphabetical order the following:

"office of Parliament" means an office to which paragraph (a) of section 10(1) of the *Parliament Administration Act* applies;".

Amendment  
of Part III  
of Act  
2007-11.

**3.** Part III of the principal Act is amended by deleting the word "ADMINISTRATION" appearing in the title to that Part and substituting the words "FINANCIAL MANAGEMENT".

**4. Section 5 of the principal Act is amended**

Amendment  
of section 5  
of Act  
2007-11.

(a) in subsection (1), by inserting immediately after the word "and" the words "estimates of"; and

(b) in subsection (5), by deleting the word "on" and inserting the word "to".

**5. Section 6 of the principal Act is deleted and the following is substituted:**

Amendment  
of section 6  
of Act  
2007-11.

"Authorisation of expenditure. **6.** The provision of subsections (1) to (6) of section 109 of the *Constitution* apply in respect of the authorization of expenditure."

**6. Section 8 of the principal Act is amended by inserting the following as subsection (3):**

Amendment  
of section 8  
of  
Act 2007-11.

"(3) Sums that are required for the current transactions of the Crown may be paid or met from the Treasury Account."

**7. Section 9 of the principal Act is deleted and the following is substituted:**

Amendment  
of section 9  
of Act  
2007-11.

Duties of the Accountant-General. **9.** (1) Subject to the provisions of this Act and any rules, the Accountant-General is hereby charged with the general management and supervision of the cash transactions and accounting operations of the Crown and is accountable for all public monies received by the Accountant-General.

(2) During each month the Accountant-General shall prepare

(a) a statement of the revenue and expenditure charged on the Consolidated Fund showing under the several heads the totals of revenue

earned and expenditure incurred during the preceding month;

- (b) a statement of the other accounts maintained by the Accountant-General showing the balances at the end of the preceding month;
- (c) a statement of the loans outstanding at the end of the preceding month and the aggregate of the sinking funds formed to redeem those loans;
- (d) a statement of the special funds existing at the end of the preceding month;
- (e) a statement of cash flows for the preceding month;
- (f) a statement of accounting policies; and
- (g) in relation to each statement referred to in paragraphs (a) and (b) of this subsection, budgeted figures for the financial year.

(3) The monthly statements prepared by the Accountant-General pursuant to subsection (2) shall, before the last day of the month following the month in respect of which the statement is prepared, be sent to the Clerk of Parliament to be laid before the House of Assembly.

(4) Moneys at the credit of the Consolidated Fund and any other public moneys may be deposited by the Accountant-General into the Treasury Account in such manner as the Director may direct; but if any public moneys are lost as a result of being so deposited then, subject to subsection (5), the Accountant-General is not liable to make good the loss.

(5) Nothing contained in subsection (4) relieves or shall be construed as relieving the Accountant-General of any liability otherwise incurred by the acts or defaults of the Accountant-General.

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| <p><b>8.</b> Section 17 of the principal Act is repealed.</p>  | <p>Repeal of section 17 of Act 2007-11.</p>    |
| <p><b>9.</b> Section 20 of the principal Act is amended by deleting</p> <p>(a) subsection (1) and substituting the following:</p> <p style="padding-left: 40px;">"(1) No expenditure of public money shall be incurred other than in accordance with an appropriation under this Act, under sections 108 and 109 of the <i>Constitution</i> or under any other Act of Parliament."; and</p> <p>(b) subsection (4).</p> | <p>Amendment of section 20 of Act 2007-11.</p> |
| <p><b>10.</b> Section 21 of the principal Act is amended in subsection (2) by deleting the words "28" and substituting the words "38".</p>   | <p>Amendment of section 21 of Act 2007-11.</p> |
| <p><b>11.</b> Section 22 of the principal Act is amended</p> <p>(a) in subsection (1), by deleting words "36" appearing in paragraph (f) and substituting the words "33 or 34";</p> <p>(b) in subsection (2), by deleting the words "36" appearing in paragraph "(f)" and substituting the words "33 or 34".</p>   | <p>Amendment of section 22 of Act 2007-11.</p> |
| <p><b>12.</b> Section 29 of the principal Act is amended</p> <p>(a) in subsection (1), by deleting the words "held by the Crown" appearing in subsection (1); and</p>  | <p>Amendment of section 29 of Act 2007-11.</p> |

(b) in subsection (2), by deleting the words "any money to which this section applies" and substituting the words "trust assets".

Amendment  
of section 35  
of Act  
2007-11.

**13.** Section 35 of the principal Act is amended by deleting the words "section D" and substituting the words "section 32".