

[LEGAL NOTICE NO. 62]

FINANCIAL MANAGEMENT ACT 2004

Finance (Amendment) Instructions 2017

IN exercise of the powers conferred on me by sections 30 and 72 of the Financial Management Act 2004, I hereby make these Instructions—

Short title and commencement

- 1.—(1) These Instructions may be cited as the Finance (Amendment) Instructions 2017.
- (2) These Instructions are deemed to have come into force on 1 August 2017.
- (3) In these Instructions, the Finance Instructions 2010 is referred to as the “Principal Instructions”.

Instruction 2 amended

2. Instruction 2 of the Principal Instructions is amended in the definition of “State assets” after “means” by deleting “;”.

New instruction 8A inserted

3. The Principal Instructions are amended after instruction 8 by inserting the following new instruction—

“Head 50 disbursements

8A. Notwithstanding that the permanent secretary responsible for finance is responsible for Head 50, where funds under Head 50 are disbursed to a budget sector agency by the Ministry, the permanent secretary responsible for that budget sector agency is responsible for the utilisation and accountability of such funds.”.

Instruction 9 amended

4. Instruction 9 of the Principal Instructions is amended by—
 - (a) in paragraph (1), deleting “that is” and substituting “where the amount of funds to be expended is”; and
 - (b) in paragraph (2), deleting the first sentence.

New instruction 10A inserted

5. The Principal Instructions are amended after instruction 10 by inserting the following new instruction—

“Independent offices

10A.—(1) An independent office must prepare an annual budget and provide a copy of the budget to the permanent secretary responsible for finance.

(2) For the purposes of section 37A of the Act, funds will be disbursed to the independent office on a monthly or quarterly basis upon the request of the independent office based on its annual budget and the funding needs of the independent office.

(3) The responsible authority for an independent office is not required to provide acquittal reports to the Ministry for funds disbursed in accordance with paragraph (2).

(4) Notwithstanding paragraph (3) and in accordance with section 37A(4) of the Act, the independent office must account to the Auditor-General for the use of funds disbursed in accordance with paragraph (2).

(5) Any funds disbursed to an independent office that are not utilised within the relevant financial year must be returned to the Ministry.”.

Instruction 14 amended

6. Instruction 14 of the Principal Instructions is amended after paragraph (8) by inserting the following new paragraph—

“(8A) Notwithstanding paragraph (8), where an agency has made an advance payment in relation to a contract for goods and services, without any bank guarantee or form of security, the head of that agency is responsible for any liability incurred where the other party does not honour the contractual terms or conditions.”.

Instruction 57C amended

7. Instruction 57C(1) of the Principal Instructions is amended after “secretary” by inserting “for a department or the person designated as or performing the functions of the head of the entity for any other State entity”.

Instruction 72 amended

8. Instruction 72 of the Principal Instructions is amended after paragraph (5) by inserting the following new paragraph—

“(6) Notwithstanding the provisions of this instruction, the permanent secretary responsible for finance must not authorise the audit of an independent office under this instruction unless the audit has been requested in writing by the responsible authority for the independent office.”.

Made this 2nd day of August 2017.

A. SAYED-KHAIYUM
Attorney-General and Minister for Economy