



GUYANA

ACT No. 22 OF 1993

FINANCIAL ADMINISTRATION AND AUDIT (AMENDMENT) ACT 1993

I assent.

CHEDDI JAGAN,
President.

25th November, 1993.

ARRANGEMENT OF SECTIONS

SECTION

1. Short title.
2. Interpretation.
3. Repeal and re-enactment of section 33 of the Principal Act.
4. Repeal of sections 34 and 35A of the Principal Act.
5. Repeal and re-enactment of section 35 of the Principal Act.
6. Insertion of Schedule in the Principal Act.

SCHEDULE

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AN ACT to amend the Financial Administration and Audit Act.

Enacted by the Parliament of Guyana:—

A.D. 1993

Short title.

Cap. 73:01

Inter-
pretation.No. 7 of
1991Repeal and
re-enact-
ment of
section 33
of the Prin-
cipal Act.

1. This Act, which amends the Financial Administration and Audit Act, may be cited as the Financial Administration and Audit (Amendment) Act 1993.

2. In this Act “Chartered Accountant” has the same meaning as in section 2 of the Institute of Chartered Accountants of Guyana Act 1991 and includes a firm of Chartered Accountants.

3. Section 33 of the Principal Act is hereby repealed and the following section substituted therefor —

“Audit of
accounts of
statutory
bodies,
public
corpora-
tions and
other
bodies by
the Auditor
General.

33. (1) The accounts of —

- (a) any statutory body being a public authority or other body administering public funds;
- (b) any public corporation, or any corporate or unincorporate body in which the controlling interest vests in the State, or in any agency on behalf of the State, or in any other body established by or under any law for the time being in force or administering public funds or monies,

shall, notwithstanding anything to the contrary in any other Act, be examined and audited by the Auditor General.

- (2) The Auditor General shall report on his examination and audit of the accounts of a body referred to in subsection (1) and shall transmit such report to the body concerned the accounts of which have been examined and audited and to the appropriate Minister for presentation to the National Assembly:

Provided that the appropriate Minister shall obtain the observations of the body concerned on any matter to which attention has been called by the Auditor General in his report and such observations shall be

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presented to the National Assembly with such report.

- (3) In the exercise of his duties under this section, the Auditor General may engage the services of a Chartered Accountant publicly carrying on the profession of accountant (hereinafter referred to as Chartered Accountant) and authorise that person to examine and audit the accounts of a body referred to in subsection (1) and such Chartered Accountant shall report thereon to the Auditor General in such manner as the Auditor General may direct.
- (4) Where, in accordance with subsection (3), a Chartered Accountant examines and audits the accounts of a body referred to in subsection (1) the procedure set out in the Schedule shall be followed in regard to —
- (a) the recruitment and appointment of the Chartered Accountant;
- (b) the manner in which the examination and audit shall be conducted;
- (c) the acceptance of the report thereof by the Auditor General.
- (5) Notwithstanding anything in any other law, where under this section the accounts of a body referred to in subsection (1) have been examined and audited by —
- (a) the Auditor General, an audit fee agreed to by the Auditor General and the body concerned;
- (b) a Chartered Accountant authorised by the Auditor General, the agreed audit fee,
- shall be paid by the body concerned.
- (6) The Minister may, on the recommendation of the Auditor General, amend the Schedule.”

Schedule

Repeal of sections 34 and 35A of the Principal Act.

4. Sections 34 and 35A of the Principal Act are hereby repealed.

Repeal and re-enactment of section 35 of the Principal Act.

5. Section 35 of the Principal Act is hereby repealed and the following section substituted therefor —

“Powers of Auditor General in auditing accounts.

35. In the exercise of his duties under section 33 in relation to the bodies referred to in section 33(1) and their employees, the Auditor General, or any Chartered Accountant authorised under section 33(3), shall have like powers as are vested in the Auditor General for the purpose of examining and auditing accounts under sections 26, 27 and 28, and section 28(2) shall have effect accordingly.”

Insertion of Schedule in the Principal Act.

6. The Principal Act is hereby amended by the insertion of the Schedule hereto as the Schedule thereto.

SCHEDULE

S. 33(4) ‘

PROCEDURE FOR THE RECRUITMENT AND APPOINTMENT OF CHARTERED ACCOUNTANTS TO EXAMINE AND AUDIT THE ACCOUNTS OF STATUTORY BODIES, PUBLIC CORPORATIONS, AND OTHER BODIES

1. At the beginning of each year, or at such other time as may be determined by the Auditor General, the Auditor General shall draw up a list of statutory bodies, public corporations, and other bodies for which he requires the services of Chartered Accountants publicly carrying on the profession of accountants to examine and audit the accounts of such bodies.
2. The Auditor General shall, by notification in at least two daily newspapers, invite applications from Chartered Accountants to examine and audit the accounts of such bodies as are mentioned in the notification.
3. Applications shall be accompanied by the questionnaire in the Form in this Schedule, duly completed and such other information as may be determined by the Auditor General, which shall provide the basis on which the Chartered Accountants' capacity and professional competence shall be evaluated.

Form

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4. A Committee appointed by the Minister, comprising the Secretary to the Treasury as Chairman, the Governor of the Bank of Guyana, the Accountant General, the Commissioner of the Inland Revenue, a representative of the Institute of Chartered Accountants of Guyana not in private practice, and the Head of Department of Management Studies, University of Guyana, shall consider the applications and forward their recommendations thereon, with the reasons therefor to the Auditor General.
5. The Auditor General shall consider the recommendations and may engage the services of Chartered Accountants from the list submitted by the Committee.
6. The engagement of the services of Chartered Accountants shall be subject **inter alia** to the following terms and conditions -
 - (i) the audit plan and list of audit procedures shall be agreed upon by the Auditor General and the Chartered Accountants before work commences: and the audit fees shall be agreed upon by the Auditor General, the Chartered Accountants and the bodies concerned;
 - (ii) at the completion of the examination and audit, the Chartered Accountant's work-papers, report and opinion shall be reviewed by the Auditor General. If the Auditor General is not satisfied, he may request that additional work be done to his satisfaction;
 - (iii) the Chartered Accountant shall issue his audit report and opinion and the Auditor General shall issue a separate opinion.
7. Chartered Accountants engaged shall be required to follow auditing standards approved for use by the Office of the Auditor General, in addition to generally accepted auditing standards.
8. Chartered Accountants engaged shall not undertake any form of accounting work or be engaged in the design of the accounting systems for the statutory bodies, public corporations, or other bodies for which they are required to function as auditors in respect of the year for which they have been engaged.
9. The services of the same Chartered Accountants shall not be retained for more than four consecutive years in respect of a particular statutory body, public corporation, or other body.

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- 6. How long have you, or how long has your firm, been in practice?
- 7. Were there any changes in the name of your firm since it was first established? If so, please give reasons for any such changes.
- 8. Do you, or does your firm, have any experience in the auditing of statutory bodies, public corporations and other bodies referred to in section 33 (1) of the Act? If so, list the major audits undertaken.
- 9. List the major bodies other than the aforesaid audited by you or your firm over the past three years —

NAME OF ENTITY	YEAR OF ACCOUNT
.....
.....
.....
.....
.....
.....
.....
.....

- 10. Do you, or does your firm, have regional audit offices in Guyana? If so, please give details.
- 11. What equipment do you, or does your firm, have in support of your operations?

Type of Equipment	No.
(a) photocopier
(b) fax machines
(c) computers
Details of computer programs in use:.....	

- 12. What auditing standards have been adopted by you or your firm?
- 13. Do you have access to specialised services such as management advisory and legal services? If so, give details.
- 14. Do you have a programme of continuing professional education for yourself and the staff of your firm? If so, please specify the nature of such programme and the average number of hours per annum for each grade of staff.

FORM

QUESTIONNAIRE TO BE COMPLETED BY CHARTERED ACCOUNTANTS PARA. 3

1. NAME OF CHARTERED ACCOUNTANTS OR FIRM OF CHARTERED ACCOUNTANTS.....

2. BUSINESS ADDRESS.....

3. TELEPHONE NOS..... FAX NO.....

4.	<u>NAME OF PARTNER</u>	<u>PROFESSIONAL DESIGNATION</u>
.....
.....
.....
.....

5. Please give the following information in relation to your current staffing or that of your firm.

DESIGNATION	NO. OF STAFF	LEVEL OF TRAINING			
		PROFESS- IONAL	DEGREE OR EQUIV- ALENT	DIPLOMA OR EQUIV- ALENT	HIGH SCHOOL
Audit Manager					
Audit Senior					
Asst. Senior					
Junior II					
Junior I					
Support Staff					
.....					
.....					
TOTAL					

15. Do you have a system of internal quality control? If so, please specify.
16. What programme do you have for an external quality control review?
17. Are you, or is your firm, prepared not to render accounting services for a corporation or other body if authorised by the Auditor General to audit the accounts of that corporation or body?
18. Indicate the charge-out rates used by you or your firm for computing audit fees —

Designation	Rate per hour
Senior Partner	
Junior Partner	
Audit Manager	
Audit Senior	
Assistant Senior	
Junior II	
Junior I	

19. Do you have any objections to the Office of the Auditor General reviewing your audit plans and list of audit procedures, if you are awarded a contract for services for the audit of statutory bodies, public corporations, or other bodies?
20. Do you have any objections to the Office of the Auditor General reviewing your work papers, report and opinion at the close of the examination and audit? Would you be willing to undertake additional work to the satisfaction of the Auditor General?
21. Any other comments.

Passed by the National Assembly on 11th November, 1993.

F. A. Narain,
Clerk of the National Assembly.

(BILL No. 21/1993)