

Enacted by the Parliament of Guyana—  
**PARLIAMENT OFFICE,**  
**Public Buildings,**  
**Georgetown,**  
**Guyana.**

93-08-03.  
 The following Bill which will be introduced in the National Assembly is published for general information.

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

- (a) any statutory body being a public authority or other body administering public funds;
- (b) any public corporation, or any corporate or other body in which the controlling interest is held by or under any law for the time being in force or administering public funds.



**GUYANA**

**BILL NO. 21 of 1993**

**FINANCIAL ADMINISTRATION AND AUDIT  
 (AMENDMENT) BILL 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**

A BILL

Intituled

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 1991

Repeal and re-enactment of section 33 of the Principal 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 Section 33 of the Principal Act is hereby repealed and the following section substituted therefor —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 corporations 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

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 —

Schedule

- (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 there-of 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

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 Sections 34 and 35A of the Principal Act are hereby repealed.

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

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

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: Schedule

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.

Form

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.

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 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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**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. **NAME OF PARTNER**..... **PROFESSIONAL DESIGNATION**.....

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

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

7

- 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 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.

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.

**EXPLANATORY MEMORANDUM**

This Bill seeks to amend the Financial Administration and Audit Act, Cap. 73:01, to vest the Auditor General with the power to examine and audit the accounts of all public corporations and other bodies in which the controlling interest vests in the State or in any agency on behalf of the State.

In the exercise of the aforesaid power, the Auditor General may engage the services of Chartered Accountants publicly carrying on the profession of accountants. Where he so does, the procedure set out in the Schedule to the Act shall be followed in the recruitment and appointment of such Chartered Accountants. The manner in which the Chartered Accountants shall undertake their work and their expected proficiency level are also mentioned in the Schedule.

*Asgar Ally,*  
 Senior Minister of Finance.